

Weekly Compilation of  
**Presidential  
Documents**



Monday, February 8, 1999  
Volume 35—Number 5  
Pages 157–210

## Contents

### Addresses and Remarks

American Association of Retired Persons  
National Legislative Council—179  
Budget, submitting fiscal year 2000—158  
Kosovo—194  
Malcolm Baldrige National Quality Awards,  
presentation—193  
“Marching Toward Justice” exhibit, ribbon-  
cutting ceremony—190  
Massachusetts  
Democratic National Committee luncheon  
in Boston—167  
Jackson Mann Elementary School in  
Allston—170  
National Association of School Boards—161  
National Prayer Breakfast—191  
New York City, Democratic National  
Committee dinner—176  
Presidential Awards for Excellence in  
Microenterprise Development,  
presentation—203  
Radio address—157

### Communications to Congress

Albania, message transmitting report on  
emigration policy and trade status—175  
Bosnia-Herzegovina, message-reporting on  
efforts to achieve a sustainable peace—200  
Budget rescissions and deferrals, letter  
reporting—166  
District of Columbia Courts’ fiscal year 2000  
budget request, message transmitting—208

### Communications to Congress—Continued

Korean Peninsula Energy Development  
Organization, letter transmitting report—  
175

### Communications to Federal Agencies

Iraqi democratic opposition organizations,  
memorandum—199  
Vietnamese cooperation in accounting for U.S.  
prisoners of war and missing in action,  
memorandum—189

### Executive Orders

Invasive Species—185

### Proclamations

American Heart Month—188  
National African American History Month—  
166

### Statements by the President

Death of Paul Mellon—175  
Harold Ickes—157  
Invasive species, action against—185  
People magazine’s decision to print a cover  
story featuring Chelsea Clinton—185  
Representative Richard Gephardt’s decision  
not to seek the Presidential nomination—  
184

### Supplementary Materials

Acts approved by the President—210  
Checklist of White House press releases—209  
Digest of other White House  
announcements—208  
Nominations submitted to the Senate—209

**Editor’s Note:** The President departed for Atlanta, GA, late in the afternoon of February 5, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

## WEEKLY COMPILATION OF

## PRESIDENTIAL DOCUMENTS

Published every Monday by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, the *Weekly Compilation of Presidential Documents* contains statements, messages, and other Presidential materials released by the White House during the preceding week.

The *Weekly Compilation of Presidential Documents* is published pursuant to the authority contained in the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. Ch. 15), under

regulations prescribed by the Administrative Committee of the Federal Register, approved by the President (37 FR 23607; 1 CFR Part 10).

Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The *Weekly Compilation of Presidential Documents* will be furnished by mail to domestic subscribers for \$80.00 per year (\$137.00 for mailing first class) and to foreign subscribers for \$93.75 per year, payable to the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The charge for a single copy is \$3.00 (\$3.75 for foreign mailing).

There are no restrictions on the republication of material appearing in the *Weekly Compilation of Presidential Documents*.

Week Ending Friday, February 5, 1999

**Statement on the Attorney General's  
Decision To Conclude the  
Investigation of Harold Ickes**  
*January 29, 1999*

I have always had confidence that Harold Ickes acted lawfully and appropriately, and I am pleased by the decision announced by the Attorney General today. Harold's contributions to this administration over the years have helped improve the quality of life in this country, and I will always be thankful for his advice and hard work on behalf of the American people.

NOTE: This item was not received in time for publication in the appropriate issue.

**The President's Radio Address**  
*January 30, 1999*

Good morning. Americans have always believed that people who work hard should be able to provide for themselves and their families. That's a fundamental part of America's basic bargain. Today I want to talk to you about what we're doing to make sure that bargain works for all our people, by ensuring that women and men earn equal pay for equal work.

We're living in a time of remarkable promise, with the strongest economy in a generation: nearly 18 million new jobs; the lowest unemployment in 29 years; family incomes rising by \$3,500, the greatest real wage growth in over two decades. We have an opportunity now, and an obligation, to make sure every American fairly benefits from this moment of prosperity.

One of the best ways to meet this challenge is to put an end to wage discrimination. When President Kennedy signed the Equal Pay Act 35 years ago, women were joining the work force in ever-increasing numbers, but their work was undervalued. At that time, for every dollar a man brought home in his

paycheck, a woman doing the same work earned only 58 cents.

We've made a lot of progress since those days. Last June my Council of Economic Advisors reported that the gender gap has narrowed considerably. In fact, it's been cut nearly in half. Today, women earn about 75 cents for every dollar a man earns. Now, we can be proud of this progress, but 75 cents on the dollar is still only three-quarters of the way there, and Americans can't be satisfied until we're all the way there.

One big reason why the pay gap persists, despite women's gains in education and experience, is the demeaning practice of wage discrimination in our workplaces. Too many employers still undervalue and underpay work done by women. And make no mistake, when a woman is denied equal pay, it doesn't just hurt her; it hurts her family, and that hurts America.

Between 1995 and 1996 alone, the number of families with 2 working parents increased by nearly 2 million. And in over 10 million families, the mother is the only breadwinner.

Now just think what a 25-percent wage gap means in real terms over the course of a working year. How many bags of groceries, or visits to the doctor? How many mortgage or rent or car payments? And over the course of a working life, it can mean hundreds of thousands of dollars: smaller pensions, less to put aside for retirement.

To prepare our Nation for the 21st century, we must do more to ensure equal pay, equal opportunity, and equal dignity for working women. Today I'm pleased to announce a new \$14 million equal pay initiative, included in my balanced budget, to help the Department of Labor and the Equal Employment Opportunity Commission expand opportunities in the workplace for women and end wage discrimination once and for all. With more resources to identify wage discrimination, to educate employers and workers about their rights and responsibilities, and to bring more women into better-paying

jobs, we'll be closer than ever to making equal pay a reality for all Americans.

In my State of the Union Address, when I called on Congress to ensure equal pay for equal work, it brought Members of both parties to their feet in a strong show of support. Equal pay is not a partisan issue. It's a matter of principle, a question of what kind of country we want America to be today, and into the 21st century, when our daughters grow up and enter the workplace.

There's been strong leadership on fair pay from Members in both Houses of Congress, including Senator Tom Harkin and Representative Eleanor Holmes Norton. Today I ask Congress, as one of its first orders of business, to pass the "Paycheck Fairness Act," sponsored by Senator Tom Daschle and Representative Rosa DeLauro. It strengthens enforcement of our equal pay laws, expands opportunities for women, and helps working families to thrive.

If we meet this challenge—if we value the contributions of all our workers—we will be a more productive, more prosperous, more proud, and a more just nation in the 21st century.

Thank you for listening.

NOTE: The address was recorded at 1:22 p.m. on January 29 in the Roosevelt Room at the White House for broadcast at 10:06 a.m. on January 30. The transcript was made available by the Office of the Press Secretary on January 29 but was embargoed for release until the broadcast.

### **Remarks on Submitting the Fiscal Year 2000 Budget**

*February 1, 1999*

Thank you very much, Mr. Podesta, Mr. Vice President, members of the Cabinet, the economic team, and Members of the Congress. I would like to, first of all, thank the Vice President for his invaluable partnership these last 6 years, and for the remarkable address he gave in Davos, Switzerland, just a couple of days ago on the global economy and our responsibilities there. I will say more about that in a moment. But all of you know how much our long-term prosperity is tied to that.

I'd like to thank the large number of Members of Congress who are here. There are so many, we haven't introduced them all, but in view of the Vice President's remarks, I would like to point out that there is one person here in whom I take particular satisfaction. Congressman Jay Inslee from Washington is one of the people who lost his seat in 1994, in no small measure because he voted for the economic plan of 1993. And in 1998 the voters in Washington returned him to the House of Representatives, and I'm delighted to see him. Stand up. *[Applause]* Thank you.

I'd also like to point out that after the first couple of years, when we passed our economic plan in a highly partisan manner, we achieved a bipartisan consensus on a balanced budget which enabled us to continue our progress. And I think I speak for every member of my party in this room—we would like to return to that to pass this budget and keep going in the right direction.

This is our budget for the year 2000. It is the first budget of the 21st century. It charts a progressive but prudent path to our future, a balanced budget that makes vital investments.

Seven years ago, when I ran for President, I committed to put our fiscal house in order. Irresponsible policies had quadrupled our national debt in the 12 previous years. The deficit was \$290 billion in 1992 alone. That brought us high interest rates, low growth, and a Government unable to meet its most basic obligations or to build our bridge to the 21st century.

When I took office we charted a new course, as the Vice President said: fiscal responsibility, smart investments, more trade. Today, following that path, Americans have created the longest peacetime expansion in our history: nearly 18 million new jobs, wages rising at twice the rate of inflation, the highest homeownership in history, the lowest welfare rolls, the lowest peacetime unemployment since 1957.

Last year, for the first time in three decades, as all of you know, we had turned red ink to black with a \$70 billion surplus. It is projected to be only the first of many. As I said in the State of the Union, America

is on course for surpluses over the next quarter century. And our estimates, optimistic as they sound, are more conservative than those of Congress.

Our economic house is in order and strong. If we manage the surplus right, we can uphold our responsibility to future generations. We can do so by dedicating the lion's share of the surplus to saving Social Security and Medicare and paying down the national debt. We can. And because we can, we must do it now.

We have a rare opportunity that comes along once in a blue moon to any group of Americans. We see now that balancing the budget, an idea that once seemed abstract, arcane, or impossible, has made a real difference in the lives of our citizens. Fiscal discipline has transformed the vicious cycle of budget deficits and high interest rates into a virtuous cycle of budget surpluses and low interest rates.

When interest rates fall, more Americans can buy and refinance homes, as over 20 million of them have. They can buy cars, retire student loans, start new businesses. When deficits disappear, capital, more than a trillion dollars so far, is liberated to create wealth and jobs and opportunity at every level all over America.

The less money we tie up in publicly held debt, the more money we free up for private sector investment. In an age of worldwide capital markets, this is the way a nation prospers—by saving and investing, not by running big deficits. This is one reason why this year's budget, as a percentage of our economy, is even smaller than last year's.

Now, the budget I present today keeps us on this path—a progressive, but prudent path to a positive future. It has taken hard work and tough choices. I want to thank the members of the Cabinet for the whole array of difficult, long meetings we had. But with our economy expanding and our surplus rising, we have confidence that we can now look to the long-term challenges of our country, to fulfill our obligations to 21st century Americans, both young and old.

The baby boom, as we all know, will soon become a senior boom. The first budget of the next century is our first big step toward meeting that challenge. I have proposed

committing 62 percent of the surplus for the next 15 years to Social Security and investing a small portion of that in the private sector, just as any private or State government pension would do, so that we can earn higher returns and keep Social Security sound for 55 years.

If we work together across partisan lines and make some tough, but fully achievable choices, we can also save Social Security for the next 75 years, lift the earnings limitation on what seniors on Social Security can earn, and do something to alleviate poverty among elderly women.

Our balanced budget also takes steps to strengthen Medicare. Already we have extended the life of the Trust Fund by 10 years. We can save it for another decade if we use one out of every six dollars of the surplus for the next 15 years to guarantee the soundness of Medicare. This budget makes a downpayment on that goal. It also commits 12 percent of the surplus—about \$500 billion, more if the Congress turns out to be right—for tax relief to establish Universal Savings Accounts—USA accounts to help Americans to invest, to save for retirement, to share more fully in our Nation's wealth.

This is the economically sound and fiscally prudent course for our country. If we do it—if we lock in the surplus to save Social Security and Medicare—we can fulfill our obligations to older Americans.

But as I said in the State of the Union—and I want to emphasize this in particular today—reform of Social Security and Medicare is equally important to younger Americans for two reasons: First of all, if we take care of this, then when the baby boom retires our children will have their incomes to invest in their lives and the lives of our grandchildren. Secondly, although this, at first glance, may seem far removed from our lives, it is essential to their future. Because if we do this, we will pay down the national debt.

Now, look at this chart. If we set aside 62 percent of the surplus for 15 years for Social Security and we set aside 15 percent for Medicare, we will cut the debt by two-thirds. As a share of our economy, we will cut it by 84 percent. Look, when I took office it was about 50 percent; we've got it down now to about 44 percent. In 15 years, we

will have it down to 7 percent, a third of what it was in 1981 before we started exploding the debt with the deficits. That will give us the lowest share of publicly held debt since 1917, before the United States entered World War I.

Why is this important? Well, we've already made deficit spending a thing of the past, but this huge debt remains. We quadrupled the debt in 4 years. When I took office, we were looking at a future where we'd be spending 20, 25 cents on a tax dollar just to pay interest on the debt—not to pay it down, just to pay interest. We've now got it down to a little over 13 cents on the dollar today. And we can take it, as you see, way, way down. If we take it down to 7 percent, our successors, 15 years from now, will only have to allocate 2 cents of every dollar the American people pay in taxes to pay interest on the debt—2 cents.

Now, this is especially important now, with all this financial turmoil around the world. We're doing everything we can—and again I want to thank the Vice President, Secretary Rubin, Deputy Secretary Summers; they went to Switzerland. We've been working hard for a year to try to stabilize the global economy, get growth going again. But we know that if things go haywire in other parts of the world, it can have an adverse effect here. This is an enormous insurance policy if we pay down the debt; that no matter what happens elsewhere, we'll be able to keep interest rates low, we'll be able to keep investing.

And I want to point out, if I could put in one plug for another part of our budget, it's also why our whole "invest-in-America strategy," to go into the poorest neighborhoods in our cities and Appalachia and the Mississippi Delta and south Texas and in rural areas, including Native American communities—why that's so important, because these underinvested areas of America have to be seen as new markets—to go along with keeping the interest rates down and freeing up the money. If the waters are troubled overseas, we have to be able to generate more growth here as well.

So I say to all of you, this is something we're doing for our kids. Yes, we're saving Social Security and Medicare; and yes, that

will prepare for the retirement of the baby boomers; and yes, it will save money for our children and our grandchildren; but it will also guarantee them an economy of continuing, enduring stability, and a hedge against the storms that may happen beyond our borders.

So that's why this is so important. This is not just about saving Social Security and Medicare, although that is terribly important. It is also about knowing that when we leave this century and enter the next, we have given our children 20 years or so in which they can worry about the challenges of the future, and they can meet their challenges of their times, things we may not even be able to foresee, unburdened by the unfinished business of the 20th century, unshackled by our profligacy in the latter part of this century.

It is profoundly important, therefore, that all across America people see this budget not just as a budget that saves Social Security and Medicare but the budget that ensures for young Americans the same chance that those of us in the baby boom generation enjoyed in the years after World War II, the same chance to meet the challenges that they will have to face that we don't know yet.

Now, it also invests, as I said. It invests in new markets in America; it invests in the education of our young people; it makes historic investments from quality education and teaching to school modernization, from smaller classes to summer school and after-school programs.

But by saving Social Security and strengthening Medicare and paying down the debt, it meets the critical first test of our obligation to the new century. These are the same challenges that Americans over the coming months and years will have to meet together. It is what we must do in Washington this year.

All over America, most of what happens to Americans are being done by people that don't have anything to do with the Government. They're making their decisions for their families, for their businesses, for their education, for their future. But we can prevent them from making the most of their lives if we do not lift these burdens from

them. And if we do, we will dramatically increase the number of Americans that will be able to live out their dreams and, therefore, keep the American dream going forever.

The decisions we make here and now are going to have a huge impact for a long, long time. We have a special obligation because our predecessors for the last several years never had this opportunity. They never had the option to do what we can now do. It is now here before us, thanks to the hard work of the people of this country, and we had better fulfill our duty. I believe we will.

Thank you very much.

NOTE: The President spoke at 10:50 a.m. in the East Room at the White House.

### **Remarks to the National Association of School Boards**

*February 1, 1999*

Thank you very much. First of all, Barbara Wheeler, thank you for your remarks. You covered everything I was going to say. *[Laughter]* You talked about the Capitol Steps. *[Laughter]* I think they're funny, too, but—*[laughter]*—you must surely know, having heard them, that it is not the school boards association that is the Rodney Dangerfield in this town. *[Laughter]*

Let me say I'm delighted to be on this platform with Anne Bryant and your other leaders behind me and to be here with all of you. I see Delegate Member of Congress Robert Underwood from Guam here. I'm delighted to see him. I was in Guam with him recently. If you haven't been, I recommend it.

And I want to thank you for the wonderful, wonderful welcome you gave to Secretary Riley. We have been working on education together since we first met, over 20 years ago, and he is not only the longest serving, I think, clearly, the finest Secretary of Education this country ever had.

We've had a very good day at the White House today, and I thought I would tell you about something we did at the beginning of the day that does not directly, but surely will indirectly impact on you and what you do. This morning I presented my budget for this coming year, and there are a lot of good

things in it for education. But the point I want to make is that we were illustrating today that with last year's surplus and the surplus we project this year, that if the Congress will do what I recommend and set aside over 75 percent of this surplus for 15 years, so that we can secure the retirement of the baby boomers with Social Security and Medicare—since we won't need the money while it's being set aside for about, in the case of Medicare, 11 years, in the case of Social Security, more, we will, while we're saving it, be paying down the national debt.

Now, when I took office, the national debt was 50 percent of our annual income, and it was projected to grow to 80 percent. When I took office, we were spending over 14 cents on the dollar of every tax dollar just servicing the debt. It's now down to 44 percent of our annual income. The debt—we're spending a little over 13 cents on the dollar. But if we set it aside for 15 years, we will take the debt down to 7 percent of our annual income, a third of what it was in 1981 when we started this deficit binge, the lowest it's been since 1917 before we got into World War I. And it will only cost 2 cents of every tax dollar you pay to pay interest on the debt.

That will, as compared with now, free up another 11 cents on the tax dollar every year from then on, that we could be investing in our children and in education and in the future. It's an amazing statistic. It will also keep interest rates low and will free up trillions of dollars to invest in the economy. And all of you know, running local school boards, that if the economy is strong, then you'll have your tax revenues coming in at the local and State level.

So this is a compact among the generations. It's not simply a way to save Social Security and Medicare, although that, too, is good for younger people because it means that when we baby boomers retire, our kids won't have to give money to us that they could be investing in their grandchildren—in our grandchildren.

But it was a very good day. And it is a part of what I am trying to get our country to focus on, which is that we have opportunities now that people who came before us, over the last several decades, could only have

dreamed of. And we have to decide how we're going to use those opportunities.

I think our most profound obligation is to say that at a time like this with the economy running well, with the lowest peacetime unemployment rate since 1957, with all the economic indicators strong, but with trouble overseas which could affect our economy, we have got to take this opportunity to deal with the long-term challenges our country faces, finally, not only to have America working again but to really build that bridge to the 21st century I've been talking about for so long.

And all of you know that education has to be a critical part of that. You know better than I all the problems that your president just mentioned. You know better than I that we have the largest group of school children we've ever had and that it is more diverse in every way than it has ever been. The future of our whole country rests so much on how well we educate our children, and you have been chosen in your communities to carry that torch into a new century. It is a great honor and a heavy responsibility, and I thank you for assuming it.

I believe that here in Washington, our duty is to help to give you the tools you need to meet the challenge. And we've worked hard for 6 years, with all the economic challenges we faced at first, to do that duty.

In the last 6 years, while we have reduced the size of the Federal Government to its lowest point since President Kennedy was in office and eliminated hundreds of programs in order to balance the budget, at the same time we have almost doubled our investment in education and training. We've helped States who adopted tougher standards. We've helped school districts to deal with the challenges of drugs and gangs and violence and guns. We've cut regulations in our Federal programs affecting elementary and secondary education by two-thirds, thanks to Secretary Riley's efforts. We've granted dozens of waivers to States and school districts to give them the flexibility they need to try new approaches. We've begun to organize an army of tutors, including young people in the America Reads program from a thousand colleges to help in schools to make sure our young people can read at elementary school,

and a new group of mentors in the GEAR UP program to mentor middle school and high school students to prepare them for college and to make sure they know they can go.

We have increased our investment in early childhood, including Head Start, as Barbara said. We are making dramatic progress in connecting all our classrooms and libraries to the Internet by early in the next century. And this year the new E-rate, the education rate, comes on-line, and that should save about a billion dollars in the cost of hookups, something for which we've fought very hard.

Also, something—I think it's very important that all the high school seniors and juniors, and maybe even earlier, know that in many different ways, we have basically opened the doors of college. Millions of young people this year will get the HOPE scholarship tax credit, which is worth about \$1,500 for the first 2 years of school. There are tax credits for junior and senior years of college, for graduate school. We've increased the size and reach of the Pell grant program, lowered the cost of student loans, added hundreds of thousands of work-study positions, and tried to basically put you in a position to say to the children in your school districts, "Look, if you make the grades, if you don't have any money, you can still go to college. No matter what the cost is, you can still go."

Last year, we got the first big downpayment on our goal of helping you to hire 100,000 highly trained teachers to lower class sizes in the early grades. And that, plus what all of you have been doing, is really paying off. I mean, the SAT scores are up, the math scores are up almost everywhere in the country. We see in some of the most difficult learning environments dramatic turnarounds where the proper attention has been paid to schools.

But if you look at the country as a whole, there are still some very challenging problems. Number one, reading scores haven't budged. Now, I think that's pretty explainable when you consider the increasing percentage of our children whose parents don't speak English at home. You couldn't expect aggregate reading scores to be going through the roof. That doesn't mean that we can give up on making sure those kids are fluent in



English. It just means we have to work harder; we have to work smarter; we have to do better.

Even more troubling to me is the fact that our relative standing on these test scores goes down as the kids go up in school. Our fourth graders were ranked in the top of the world last year in comparative math and science scores. And keep in mind, when we engage in this, we take a representative sample of kids—by income, by race, by region, every demographic category—and they're doing well. Our 8th graders are about the international average and our 12th graders rank near the bottom. That tells us that there are things we have to do if we expect to be globally competitive that we're not doing. And I believe we can do better.

Probably most of you heard my State of the Union Address, in which I said that we, in my judgment, in the Federal Government, should change the way we invest Federal funds to emphasize what you have proved to us works and to stop investing in things that don't work. We will have an opportunity—and again, I believe, an obligation—to do that this year, because Congress must reauthorize the Elementary and Secondary Education Act. I intend to send them, later this year, an "Education Accountability Act" to require States and school districts receiving Federal help to take five steps that most of you are probably already taking, and that, I think, all of us would admit, have been shown to work.

The components of this bill basically came to us from educators, from people like you, from principals especially, from teachers in some cases, and from our own on-site observation, not just mine and Secretary Riley's but all of us, of what we have seen working.

We believe that every district should have a policy of no social promotion but not identifying the children as failures, and therefore, there should be after-school and summer school programs to support their continued learning. All over America, teachers' groups, not just the national organizations, but grass-roots teachers' groups, have pleaded with us to say: If you're going to invest Federal money, say that every school district must have a reasonable discipline code and it must be enforced.

We believe that parents should get report cards on their children's schools. We believe there should be a strategy in every school district to turn around or shut down schools that fail.

I appreciated the comment you made about vouchers. You know, I have steadfastly opposed them. I believe when I was a Governor, I think we were the second State in the country after Minnesota to have a state-wide public school choice bill pass the legislature, and I have steadfastly supported the charter school movement in America, and I still do. But we must have a strategy that deals with failing schools. If you want to win the argument with people who don't do what you do every day—on vouchers—you must have a strategy that deals with failing schools. And it's very important.

I think we have to do more to ensure that all of our teachers are as well-trained as they possibly can be in the subjects they are teaching. Sometimes I think our teachers get a little bit of a bum rap with the schools exploding and all of you having to compete for bright people with other forms of work, not just teaching. It should hardly be surprising to people that we have, in many of our school districts, teachers teaching subjects which they don't have degrees in, which they may not even have college minors in. But we have to do something about it. We have to do more to try to help support teachers. And the teachers, through their organizations, are clamoring for more investment to help develop skills and learning, to raise their qualifications in these academic subjects.

I'm going up to Boston tomorrow, and I'll be able to discuss some of this in greater detail. But what I wanted to say to you today is we need your help. We need your help. We need Congress to understand that—I do not believe the Federal Government should run the schools. I didn't wake up one morning and come up with these five ideas. I believe that you were showing us what works, and that is what we should invest in. And I think that, both as taxpayers and as school board members, knowing the challenges we face, you should expect us to invest this money based on what you believe will work and what you have seen will work.

Nothing we can do here involves picking this person or that person or the other person to teach, involves how you select your principals; involves how the climate of learning or the culture of the school is developed, school by school. We can't do any of that. But with limited Federal funds, which I have done my best to increase, and an enormous challenge out there, we ought to be investing in what works, and we ought to stop investing in what doesn't. And I ask for your help to persuade the Congress that that is in the interests of the local school districts of the United States. Essentially, we ought to try to take what is common sense to all of you and make it common practice in all of our schools.

Today, as I said, I released my budget, and I wanted to talk a little bit about what it does. First of all, it calls upon Congress to invest \$1.4 billion to hire new, better trained teachers to reduce class sizes in the early grades. This is a 17 percent increase over the budget I signed last fall, and it brings us another step closer to our goal of 100,000 new teachers. We have to make sure that Congress continues this financial support.

I might say, there were some people who didn't want to do that, but the arguments I heard about this were the same arguments I heard in 1994 against my crime bill when local police officers said, "Mr. President, the violent crime rate has tripled in the last 30 years, and the police forces have increased by 10 percent." It was not rocket science to think that if you had more police officers and they were walking the streets and working with neighborhood groups and others, that they could prevent crime from happening in the first place, catch criminals when they commit crimes, and drive the crime rate down. We now have the lowest violent crime rate in 30 years, the lowest overall crime rate in 25 years.

It is not rocket science to know that if you've got a teacher shortage now and a looming one in the future, that the Federal Government, if we have the resources, ought to be giving you the tools to hire more teachers. So I ask you to help us pass this through the Congress.

The budget also calls for investing \$35 million to provide 7,000 college scholarships for

bright young people who commit to teach in places where the need is greatest, in the poorest inner-city and rural schools. That's 5 times the investment that Congress made in these scholarships last year when we inaugurated the program. It increases by \$25 million funding to train bilingual and English-as-second-language teachers. It contains \$30 million to train middle school teachers to use technology in the classroom. It calls for \$10 million to train 1,000 Native Americans to teach in Indian reservations and other public schools with large Native American enrollments. It has \$18 million to recruit and train retired military members to become teachers.

We had an event on this at the White House last week, and we had this marvelous retired Army sergeant who is teaching in the Baltimore schools come and make a presentation. He's a special education teacher in the Baltimore schools. It was an overwhelming, emotional event.

And I remember when I was in Korea recently I met a senior master sergeant there who gave me one of his little military coins. And I said, "How long have you been in the service?" And he said, "Twenty-nine years." And I said, "How much longer are you going to stay?" He said, "About a year." And I said, "What are you going to do?" He said, "I'm going home to Kentucky to be a teacher." So I hope you will continue to support this.

The budget continues support for the master teacher program, to make sure our finest teachers get the recognition, the reward they deserve, and the opportunity to spread the skills they develop in going through the certification process with others in their schools. Our goal there is to try to get up to 100,000 board-certified master teachers in the country, enough to make sure that, with your help, we can have one in every school building in America. And I think that would be a very good thing, indeed.

The budget increases by \$26 million funding to mobilize tutors and trained teachers, to make sure all of our third graders can read adequately. It doubles funding for our efforts to provide middle school students with tutors, with mentors, to spark their interest and their capacity in going on to college.

We also, again, will try to pass the provision of the budget that would use tax breaks to enable us to build or modernize 5,000 schools. And that is very important, indeed. Again, I heard the argument last year: Well, this is really not something that the Federal Government ought to be doing. Well, the Federal Government puts a lot of money into State highways, and this is our road to the future.

I, frankly, wish we were doing more. I don't know how many schools I've been in where there were as many kids back in the house trailers as there were in regular classrooms. I don't know how many I've been in where there were rooms closed off because the buildings were breaking down. We have schools buildings in some of our cities now that are so old they literally cannot be hooked up to the Internet without a whole rewiring. I think this is very important.

But again, I say it's important that you understand that you've got to go out and talk to Members of Congress of both parties and say, "Listen, this is not some cockamamie idea that the President had some person with a Ph.D. think up in a windowless office in the White House"—[laughter]—"you know, you go out and stroll around the schools of America, and it will come screaming back at you: We need some help here."

So I ask for your help. And finally, let me say, our Federal after-school programs began just 2 years ago with a million bucks. That's all I could get for it. And we went to \$40 million. Then in the third year, in our last budget, that I signed just a couple of months ago, we went to 200 million. This budget calls for 600 million, and that's enough to keep one million children in school and off the streets, learning and safe, in after-school programs. I ask for your support for that.

So this budget comes from Secretary Riley and me, two old—increasingly old—[laughter]—Governors who believe deeply in education and its promise, who believe deeply in the leadership of people like you at the local level. We don't want to micromanage the schools. We don't want to take resources away from people who need it. But it is unconscionable to continue to support that which doesn't work and to fail to support that which does. So we ask for a partnership that

will invest more in our public schools and to invest in ways that you, out on the frontlines of change, have demonstrated will work so that our children will learn more. That's all we ask.

Again, I say, as I was thinking today when we started the day, Dick and I did, with the rest of the Cabinet and 31 Members of Congress and we were looking at this line with the debt going down and what was going to happen in the future—you just think about where America is and you think about people who were Presidents, Secretaries of Education, Members of Congress, Governors and school board members, 10 years ago, 15 years ago, 20 years ago. There were people who would have killed to have had an opportunity like this. This is a high-class dilemma we've got here. [Laughter] You know? Why are we worried about the aging of America? Because before you know it, our average life expectancy will be over 80. That's a big problem. I like it better as the days go by—[laughter]—and the same thing with the surplus.

But history is full of examples of people who had golden opportunities and squandered them because there was an easier, more well-trodden path to take. And so I ask you—I don't think you know the influence you can have if you're determined to bring it to bear. This is a time for decisive action. Don't just go up to Congress and ask them to reauthorize the act the way it was and give you as much more money as you can get. You've got 53 million kids out there. They're from 200 or more different racial or ethnic groups, every religion in the world, every linguistic background in the world, and they are America's gold mine for tomorrow as the world becomes smaller and more and more interdependent.

This is a gift. It is a high-class challenge. And we have the resources, and we have the knowledge to do what is right. We have to do it.

Thank you very much.

NOTE: The President spoke at 4:55 p.m. at the Grand Hyatt Hotel. In his remarks, he referred to Barbara M. Wheeler, president, and Anne L. Bryant, executive director, National Association of School Boards. The President also mentioned the comedy troupe Capitol Steps.

**Proclamation 7165—National African American History Month, 1999**

*February 1, 1999*

*By the President of the United States of America*

**A Proclamation**

The story of African Americans is one of strength, suffering, courage, and triumph. Arriving on these shores more than 350 years ago, African Americans have been a central element of our national identity, and their long journey from the horrors of slavery and oppression through the struggle for equality and justice informs our national experience. By observing African American History Month each year, we not only remember the tragic errors of our past, but also celebrate the achievements of African Americans and the promise they hold for our future as one America.

This year's theme, "The Legacy of African American Leadership for the Present and the Future," is a recognition that we can draw strength and inspiration to face our challenges from the vision, voices, character, and accomplishments of the many extraordinary African Americans who have gone before us. These gifted men and women, from every walk of life and every field of endeavor, were shaped but not defeated by their experience of racism, and their response was to move our Nation closer to our ideals of freedom, justice, and equality.

We remember Frederick Douglass and Sojourner Truth, whose powerful firsthand accounts of their lives as slaves and the moral strength of their argument helped create the momentum that brought an end to slavery in America. In our own century, we all have benefited from the skills, determination, and indefatigable spirit of such African American leaders as Booker T. Washington, W.E.B. Du Bois, A. Philip Randolph, Ella Baker, Thurgood Marshall, Medgar Evers, and Martin Luther King, Jr. Whether organizing peaceful demonstrations, creating educational and economic opportunities, fighting Jim Crow laws in the courts, or conducting peaceful protests, they awakened the conscience of our Nation and won signal vic-

tories for justice and human dignity. We recall the courage of the Little Rock Nine, who opened the doors of American education for so many other deserving young people. We remember the strength of Rosa Parks, who stood up for civil rights by sitting down where she belonged. We continue to draw inspiration from the leadership of Dorothy Height, who has done so much to strengthen families and communities not only in our own Nation, but also around the world.

These and so many other African American leaders have enriched our national life and shaped our national character. They have challenged us to recognize that America's racial, cultural, and ethnic diversity will be among our greatest strengths in the 21st century.

**Now, Therefore, I, William J. Clinton,** President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim February 1999 as National African American History Month. I call upon public officials, educators, librarians, and all the people of the United States to observe this month with appropriate ceremonies, activities, and programs that raise awareness and appreciation of African American history.

**In Witness Whereof,** I have hereunto set my hand this first day of February, in the year of our Lord nineteen hundred and ninety-nine, and of the Independence of the United States of America the two hundred and twenty-third.

**William J. Clinton**

[Filed with the Office of the Federal Register, 8:45 a.m., February 3, 1999]

NOTE: This proclamation was published in the *Federal Register* on February 4.

**Letter to Congressional Leaders Reporting Budget Rescissions and Deferrals**

*February 1, 1999*

*Dear Mr. Speaker: (Dear Mr. President:)*

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report three rescissions of

budget authority, totaling \$35 million; one new deferral of \$185 million of budget authority; and, two revised deferrals of budget authority, totaling \$1.5 billion.

The proposed rescissions affect the programs of the Department of Interior, Unanticipated Needs for Natural Disasters, and International Assistance Programs. The proposed deferrals affect programs of the Department of State and International Assistance Programs.

Sincerely,

**William J. Clinton**

NOTE: Identical letters were sent to J. Dennis Hastert, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. An original was not available for verification of the content of this letter.

**Remarks at a Democratic National Committee Luncheon in Boston, Massachusetts**

*February 2, 1999*

Thank you very much. Up to this point, I've had a great time here today. I could have listened to this go on forever. I want to say to all those here—to Elaine and to Alan and everyone who worked on this event; to Governor Romer and Len Barrack and all of those—to Joe Andrew and others who will carry on with the Democratic Party; to Joan Menard and Mayor Menino; and especially to Senator Kennedy, Senator Kerry, Congressmen Moakley, and Meehan and McGovern and Tierney, Capuano, and the other members of the delegation, how profoundly grateful I am to be here; how grateful I am for every occasion in which I have come to Boston or the State of Massachusetts since 1991; for the kindness and support that you have given to me, to Hillary, to the Vice President, to all of us; for being the State which has consistently given the Clinton-Gore team the highest percentage of the popular vote; for sticking with the agenda that we have set forth for America and sending a magnificent congressional delegation. I am very grateful.

This morning, Hillary asked me what I was going to do in Boston and I said, "Oh, I'm going up there to canonize Steve Grossman."

[*Laughter*] And she said, "Bill, don't say that. That's the wrong religion." [*Laughter*] But that's basically what we've done. [*Laughter*] And every word deserved.

When I met Steve many years ago, and he was running APEC and I was a young Governor trying to learn about the complexities of the Middle East, I never could have dreamed that I would become so heavily involved in the peace process there, that I would have the opportunity to do what we have been able to do, to move it forward.

You know, when you think about the condition of the Democratic Party when Steve became chairman, and you think about some of the difficulties we've faced in the Middle East—if you sort of assume that he helped give me the Presidency and I helped give him the Democratic Party, it's hard to imagine who got the better deal on some days. [*Laughter*] I think neither of us would trade the opportunity and the challenge for anything. And so, again, I just want to say thank you.

Let me also say that there is another reason that we did as well as we did in 1998, and that is that we stood for something, for all the American people, and for all kinds of Americans. I just want to mention one other person who is here—I can't resist. Her presence here, I understand, is a birthday present. And tomorrow Rosina Grattaroti will celebrate her 90th birthday. I'd like to ask her to stand up. Where are you? There she is. [*Applause*] Happy birthday. I asked Mayor Menino if he knew her; he said, "Yes, she comes from an old Irish family in town." [*Laughter*]

But let me say to all of you, in 1992 you gave me a chance to try to lead this country in a new direction, based on old values. I said over and over again—sometimes to suspicious audiences—that I wanted the Democratic Party to go back to its old values with new ideas; that our mission would always be to provide opportunity to all Americans, to call forth all citizens to a sense of responsibility, and to give us a real sense of community.

I still think if there is one idea that sort of often divides us from our friends in the Republican Party, it is our passionate belief in community, the idea that we are interdependent, that none of us is better than any

other, that we can never fulfill our complete destiny as individuals and families unless we live in a country which is giving everybody the chance to do it, and we're all working together. And increasingly, we know that to be true about the larger world beyond our borders.

In 1996, because the country had done well, I asked the American people to give us a chance to finish the job and build our bridge to the 21st century. And with Massachusetts leading the way, they did. In 1998, what did we say to the American people? What was the difference historically? This is not rocket science. Steve Grossman and all of our team, people like him all across America who followed his lead, went out and said, "You cannot let this party be destroyed. We must rebuild it financially, and we must remember what we stand for."

And then we went to the American people in 1998, and we never did say, until after the election was over, "Hey, did you know it's been since 1822 that the party of the President actually picked up seats in the House of Representatives in a 6th-year election? And wouldn't you like to make history?"

That's not what we said. What did we say? "Elect us. We will save Social Security first. We will pass the Patients' Bill of Rights. We'll be for world-class education. We'll keep our economy going. We'll keep pulling the American people together. We have an agenda that will build America for all the citizens who live here." That's what this is about.

There is a lot of energy in our party today, because we have a mission for the American people, because we believe in opportunity and responsibility; because we believe, at root, in the idea of an American community; because we have never sought political power except to advance those ideals, not for ourselves but for others. And that is the secret that Steve Grossman brought to the United States, with all the other Democrats, that resulted in the election victories in '98.

And it is now our obligation to fulfill the mandate we were given by the people. That's what the State of the Union Address was all about. So when you leave here today, grateful to Steve Grossman, what you should really be grateful for is that because of his labors, we have made it more likely that we will save

Social Security and Medicare and that in the process of doing it we will lift from the children—the grandchildren of the baby boomers—an enormous financial burden, which will free them to pursue their own destinies; that we will do it by saving most of the surplus, and that will enable us to pay down the national debt.

If anybody had come before you in 1992 and said, "Vote for me for President, in a few years we'll be paying down the national debt," you would have given them a quick exit home. You'd have thought, that guy's been, you know, chewing on funny reeds or something. *[Laughter]* But we will—if this proposal is adopted—listen to this: In 1981 our national debt was 26 percent of our annual income. In 1992, when I took office, our national debt was 50 percent of our national income. It's now down to 44 and dropping fast.

If our proposal for Social Security and Medicare is adopted, to save the surplus for those purposes and to buy into publicly held debt, it will go to its lowest point since 1917, before World War II, and we will be on our way to guaranteeing our children and our grandchildren a generation of low interest rates, strong economy, investment opportunities, education opportunities, and a brighter future for America in the 21st century. We ought to do this. That is what we were elected to do.

The mayor and I and the many members of the congressional delegation, when we leave here we are going to a school, because it symbolizes the future that we fought for. And I will say again what I said to you in the State of the Union Address: We should invest more money in education, but we should spend it more wisely. We should spend it on what we know works and stop financing what we know doesn't.

We ought to say to all of our schools: We want to spend more money for better trained teachers. We want to hire 100,000 more teachers and make sure they're well trained. We want to build or modernize 5,000 schools because we're tired of our kids going to schools where they spend all day in a house trailer because it's so overcrowded, or they go to a school that's so broken down, we can't

even hook it up to the Internet because the school won't take the connection.

We want to say there ought to be certain rules in every school, no social promotion. But don't say the kids are failing when the system is failing them. That's why this budget triples funding for after-school and summer school programs that will lift student achievement and lift kids up and give them a chance to make the most of their own lives.

We ought to say even though America is doing very well, there are still neighborhoods not very far from here that aren't doing so well. There are still people who haven't been part of this economic recovery. Four of our 10 largest cities have cut their unemployment rate in half since 1992, but there are still neighborhoods in almost every large city where the unemployment rate is high. There are rural areas in my part of the country, in the Mississippi Delta or in Appalachia or in south Texas, there are Native American communities which have felt almost no positive impact from this great wave of economic recovery.

In the State of the Union Address I set forth a whole series of initiatives that could put \$15 billion, not of Government money but private sector money into our inner cities and our rural areas to create businesses and jobs and hope. Now, this is the best economy we've had in a generation, maybe ever. We will never have a better time to bring the American dream to poor people who are willing to work hard. If we can't do it now, we will never do it, and we ought to do it now.

We also were elected by a large and growing number of Americans of all ages who are concerned about environmental issues but do not wish to give up the promise of economic growth. We have proved that you can make the air and water cleaner, that you can preserve more land, that you can restore more brownfields in cities and still grow this economy. A big part of our agenda is a livability and lands legacy agenda to help cities deal with traffic problems—you never have them in Boston—[laughter]—to help them clean up more brownfields, to help save more city parks, and set aside more isolated, irreplaceable places all over America. This, too, is an important part of what it means to be an

American—living in harmony with our natural environment and growing our economy.

And finally, someone mentioned City Year earlier, and I noticed there was a smattering of applause. One of the proudest moments of my life was when, along with the pen that President Kennedy used to sign the bill creating the Peace Corps, we created AmeriCorps, the national service program. Senator Kennedy was there with me, other members of the delegation were.

And since then there have been 100,000 young people, in only 4 years, serve in AmeriCorps. I went home to Arkansas last week to see the tornado damage. Both the communities I visited, there were young AmeriCorps kids there from New York, New Jersey, California, Colorado. Believe me, they never would have gone there before. Helping people, learning things, sharing their lives. There were kids that went to Ivy League schools and kids that dropped out of high school. There were kids who came from wealthy families and kids who came from families on welfare all working together, pulling this country together, doing something to make America a better place. It is the embodiment of what we believe our public and political life ought to be all about.

So I say to you, I'm glad we won this election. I am grateful to Steve Grossman. But he would say to you—and I know he will say to you—we have to deliver. We have to deliver. We have to save Social Security and Medicare. We should pay down this debt. We should bring economic opportunity to other areas that haven't felt it. We should make world-class education the province of every American child. We can do these things. We can do it if we do it together.

Massachusetts, as much as any place, Boston, as much as any city in America, gave this administration the chance to bring that hope, that message, and that reality to the American people. I will never forget you. I will certainly never forget Steve Grossman. I am grateful. Now it's time to stand and deliver.

Thank you, and God bless you.

NOTE: The President spoke at 2:05 p.m. in the Arlington Room at the Park Plaza Hotel. In his remarks, he referred to event cochairs Elaine Schuster and Alan D. Solomont; Gov. Roy Romer

of Colorado, general chair, Leonard Barrack, national finance chair, Joseph J. Andrew, national chair-designate, and Steve Grossman, national chair, Democratic National Committee; Massachusetts State Democratic Party Chair Joan M. Menard; and Mayor Thomas M. Menino of Boston.

**Remarks to the Community at  
Jackson Mann Elementary School  
in Allston, Massachusetts**

*February 2, 1999*

Thank you so much. First, I would like to thank all those who have joined us today. Governor, thank you for your remarks and your commitment. To Senator Kennedy and Senator Kerry, to Congressman Moakley and Congressman McGovern, and the other members of the Massachusetts delegation, I couldn't ask for stronger supporters and leaders for the cause of education.

Mayor, thank you for setting an example which I hope will be followed by every mayor in the country in terms of your commitment to education. I want to congratulate Boston on stealing your superintendent, Tom Payzant, from the Department of Education and my administration. *[Laughter]* I forgive you for that. *[Laughter]* You have given a lot more to me than you have taken, and it is a gift to the children of this city.

I'd like to thank Dr. Joanne Collins Russell and Gail Zimmerman and the faculty and the students, the chorus here at Jackson Mann, all of you, for making us feel so at home. Thank you so much. I want to thank the legislators and the local officials, the others who are here.

I'm glad to be here. I heard a lot about this school. Tom Menino told me the last time he was here that you gave him pasta. *[Laughter]* So I didn't eat lunch at the last event—*[laughter]*—just waiting. That's not true, but it's a good story. He liked the pasta. *[Laughter]* It is true that he got pasta; it's not true I didn't eat lunch. *[Laughter]*

But I also want to say to all of you, I was terribly impressed by what everyone said but most impressed by what your principal and what your teacher said, because it convinced me that this is a school which is going to be able to do right by the children of 21st

century America. And every now and then, while I'm going through this talk and tell you what I'm going to propose to Congress, just look up there—there they are; that's America's future. That looks pretty good to me, but it is very different than our past.

When I spoke at the State of the Union last month—to tell the American people that the state of our Union is strong, that our economy is perhaps the strongest it has ever been—I asked the American people to reflect upon what our obligations are in the midst of this economic success, with the social successes we've had, the welfare rolls cut almost in half, the lowest crime rate in a generation. What are we going to do with this?

And I asked the American people to join together to meet the great challenges of a new century—things like the aging of America, helping families balance work and child rearing, helping communities and States and our entire country balance the need to grow the economy with the need to preserve the quality of life and the quality of our environment—big challenges.

There is no challenge larger than giving every child in this country a world-class education, for every child will be not only a citizen of the United States but a citizen of the world. If you look at these children up here, you won't be surprised to know that all over America we not only have the largest group of schoolchildren in history, it is the most racially, ethnically, religiously, culturally diverse group in history.

Now, as the world grows smaller and our contacts with people all over the world on every continent become more frequent and more profound, there is no country in the world better positioned to preserve liberty and prosperity and to be a beacon of hope than the United States. Because as we look more like the world, we will have more advantages to have a positive influence in the world—if, but only if, we prove that we really can build a successful multiracial, multiethnic, multicultural democracy where we say we cherish, we enjoy, we celebrate our diversity, but what we have in common is more important.

And the challenge of this and every school is to make sure that all of our children understand and are proud of what is different



about them but also understand and are proud of what they have in common. And understand that all children can learn and all children must learn, and that it will be more important to their generation than to any previous generation of Americans.

The results you're getting here on your test scores, and just the feeling that one gets here in listening to what your principal and your teacher said, make me know that you are on the right track. I was so impressed with Ms. Zimmerman, when she got through, I said, "You did a good job. You ought to run for public office." [Laughter] And she said, "Well, I might." [Laughter] I hope she'll teach a few more classes of kids with that kind of skill and understanding, first.

There are lots of schools—over the last 20 years, Secretary Riley and I used to be Governors together, and I've spent a lot of time in public schools over the last 20 years—a lot of time, a lot of time as President. And this is actually unusual for me, just to come to the meeting like this. Normally when I come to a school, I also visit a class and talk to the teachers and talk to the students and listen and observe.

And one of the things that I want the American people who aren't here to know and understand is that every single problem in American education has been solved by someone somewhere. And that many of these problems have been solved in schools where, if you didn't know anything about education, you could hardly believe it. Sometimes they're in the toughest neighborhoods; sometimes they have the most limited financial base. But with good principals, good teachers, a good culture in the school, high values, high standards, it is astonishing what I have seen in places where you wouldn't believe it.

The great trick and difficulty in American education is, and the thing that we have not solved, we have not yet figured out how we can accelerate the pace by which all schools do what works in some schools. And I think every teacher here, everyone who has ever been across the country or across the State or maybe even across the city and had experience from school to school would say that that is sort of the nagging challenge.

Part of it, of course, is that all schools are different, all kids are different, all classes are different, all circumstances are different. Part of it is that there are internal resistances to doing what the mayor is now trying to do citywide and the Governor is now trying to do statewide.

That's why this year, our continuing effort to promote educational excellence will be of special importance, because this year we're going to try to do something the National Government has never done before. Every 5 years, we have a great debate in Congress on how we should spend the Federal contribution to our public schools. What are the terms under which the States and the school districts get this money. It is called a reauthorization act, and we're going to have that debate this year.

This year, I am going to ask the Congress, for the first time, to invest more money than ever before in our schools but to invest only in what the schools and the teachers and the parents have told us works and to stop investing in what doesn't work. [Applause] Now, I don't think we should subsidize inadequate performance; I think we should reward results. And sure enough, more people will follow the lead of schools like this one, if it happens.

Now, this may seem self-evident. You all clapped. Believe me, this will be very controversial. After all, there are some people in Congress who don't believe we have any business investing in more—more in public education, because it is a State constitutional function, and in every State most of the money is raised either at the local level or at the State level, but only nationwide about 7 percent of the money comes from the national level. But it's a lot of money. I mean, \$15 billion—\$15 billion is not chump change. It's real money, and it can make a real difference.

There's more than ever before. Last year we got bipartisan agreement in Congress, after a big debate, to make a big downpayment on 100,000 more teachers in the early grades to help you deal with the problem of more teachers retiring as more kids come in. And the plain evidence is that smaller classes in the early grades make a special difference.

We did not pass last year—I hope we will this year—my proposal to build or modernize 5,000 schools, through the use of the tax credit. Now, we actually have—Boston is the first city with all the schools hooked up to the Internet, you heard the mayor say that. I hate to tell you this: We have some cities where the school buildings are in such bad shape they are not capable of being hooked up to the Internet. And I have been in school districts from Virginia to Florida to California where there are so many kids that the outside is littered with house trailers where they're going to school.

So this is a big challenge. There are some who don't think we should be doing that. They think that's somebody else's job. But there's an even deeper debate you will see this year about more than money. Some people argue that even though we spend \$15 billion a year on public education, the National Government has no business whatever holding the system accountable for results. They say, if we say we're going to hold districts accountable for results, that we're trying to micromanage the schools.

Nothing could be further from the truth. If I have learned one single, solitary thing in 20 years of going into schools, it is that if you have a good principal and a good attitude among the faculty and a decent relationship with the parents, you're going to have a successful school. You're doing the right things. I've learned that.

So you will not find anybody who is more reluctant to micromanage the schools than me. But keep in mind what I said—and you ask the teachers when I'm gone if this is not true—every problem in American education has been solved by somebody somewhere. The problem is we are not very good at spreading what works to all the rest of the schools in a timely and efficient manner.

Therefore, what I propose to do is to write into the law what teachers and other educators have said to me are the critical elements of dealing with the challenges of this generation of young people, and the dramatic income and other differences we see from school district to school district, and say: If you want the money, you should do this—not should—you must do this.

This will be very controversial. But I'm telling you, I have been frustrated for 20 years in trying it the other way. We had some school districts in my State that had done things that achieved national acclaim, and I put in a bill—and I passed it—to create a pot of money to pay the expenses of educators from other school districts in my State to go to these school districts to see what was going on, and a majority of them wouldn't do it when I offered to pay their way. We should have—it wasn't because they weren't dedicated. It was just sort of, "Oh, well, you know, we do it our way. They do it their way."

And I believe that this is a very, very important debate. And I came here because I approve of what you're doing in this school, and I'm proud of it. I came here because I'm proud of what the mayor is doing. I'm proud here because of Massachusetts' historic commitment to excellence in education. I came here because your congressional delegation is as devoted to excellence in education as any in the land. That's why I'm here—to say that every place should be like this, and that we can help. And I hope you will support that.

Can you imagine any company spending \$15 billion and saying, "Here, take the money. We don't care what the results are. And come back next year, and I'll write you another check." [*Laughter*] I don't think any child in America should be passed from grade to grade without knowing the material. I don't think we're doing children a favor. I don't think any child should be trapped in a failing school without a strategy to turn the school around or give the kid a way out. And I believe these should be national priorities, not to tell people how to do this but to say that you must have a strategy to do it, that you implement, that produces results. You decide how to do it.

From now on, I think we should say to States and to school districts, "Identify your worst-performing, least-improving schools, turn them around, or shut them down." There's \$200 million in my budget to help school districts do that—\$200 million. And we can do this. I'll talk more about it in a minute; I'll give you some evidence of that.

If we fail to do it, how many kids are we going to lose to low expectations? And every one of them can learn. You know it, and I know it. If we succeed, our best years lie ahead. Their years will be America's best years.

I'll tell you, I've listened to this debate for two decades now, and half the time, when I hear people say we can't do something, what they're really saying is, "Those kids are different from my kids, and I don't really believe they can learn." Well, that is not true. All of our children can learn, and I intend to see that they do.

We're working to help every city follow Boston's lead and be hooked up to the Internet by early in the next century. We're working to expand Head Start. We're working to bring more tutors to elementary schools to help work with the teachers to help make sure our kids can read. And it's very important, when their first language is not English, to give more and more help in the schools. We're working to send college students as mentors into middle schools and high schools, where hardly any kids go to college, and convince all kids they can go to college.

If you look at the scholarships, the loans, the Pell grants, the tax cuts, the work-study programs that this Congress has approved in the last 4 years, there's no excuse for anybody not going to college because of the money. You can afford to go now. We have put the money out there. And every 11- and 12- and 13-year-old kid in America needs to know this. They need to know that they can make their own future.

I know that some of our America Reads tutors are working at Jackson Mann and several AmeriCorps City Year members are working here too, and I want to thank them. Boston University AmeriCorps, thank you. And I want to get back to the point here. Our schools are doing better all over the country. Almost all the scores are up. The math scores are up. The SAT scores are up. But we have two big challenges, and I want you to focus on them.

Number one, reading scores have hardly budged. Now, that should not surprise you because our school population every year has a higher and higher percentage of immigrant children whose first language is not English.

So it's harder just to stay in place, but it's not good enough, because these children are still going to have to go out into a world where they'll either be able to read and learn and think and reason in this country's main language, or they won't. So we have to do better.

Something that bothers me even more is that these international comparative scores in math and science—this is fascinating—American children, a representative group by race, by income, and by reason rank at the top of the world in the international math and science scores in the fourth grade. You know, they're always first or second or third, last couple of years. They drop to the middle by the time they're in the eighth grade. By the time they're in the 12th grade, they rank near the bottom.

Now, you can't say that the kids can't learn, otherwise, they never would have been at the top, right? So that means that we have to do some things in our system to make sure that their fast start speeds up, not slows down. There could be no more compelling evidence that our children can learn.

So in this year's budget—I'll say again—I not only want to finish hiring the 100,000 teachers, take another big step there, and fix the 5,000 schools and keep hooking up to the Internet, and also give you something to find on the Internet—we're going to set up a digital library with hundreds of thousands of books that schools can access—so every school library in America, literally, within a few years, every school library in America can have 400,000 books if the digital library works.

We also want to pass this bill that says, "Okay, here's the Federal money. But here's what you have to do if you want to get it. First of all, you have to identify the worst-performing, least-improving schools and take responsibility for turning them around," just like the mayor is and the school people are here in Boston—Mr. Payzant is working on that. That's what you've got to do. Why is that? Because we've got to insist that the schools, no matter how difficult their circumstances, offer world-class education.

Now, under our plan, States and school districts would audit failing schools for educational weaknesses, find resources that

would help, do what Ms. Zimmerman does on her own: Go out and help the mentor teachers; make sure that all the teachers have been given the best development possible; provide reading tutors if they're needed; provide other kinds of help to get more parents involved; do whatever is necessary.

Then, if after 2 years the student achievement still doesn't improve, States and districts would have to take stronger action, including permitting students to attend other schools if they and their parents want to do so. Or reconstituting the school, making staff changes as appropriate. Or maybe even closing the school and reopening it, completely differently constructed.

Now, this can work. Let me just give you two examples. Six years ago Houston listed 68 of its schools as low performers. Today, after much aggressive intervention and hard work, the vast majority of those are off the list, because they're getting different results, not because they're trying harder but because they changed their results.

Dade County, Florida—that's Miami—one of the most diverse school districts in America, had 45 critical, low-performing schools. They raised their math and science scores so much—math and reading scores so much now that within 2 years, all 45 were off the list, just by focusing on it and by refusing to accept the proposition that, just because these kids were having a tough time financially or they live in tough neighborhoods, that their schools couldn't function, and they couldn't learn.

Now, this is what Boston is committed to doing, but this is what every place in America should do. And in our budget, we have \$200 million to help them do it. We also call for ending social promotion, but we say—and I want to reiterate that—it's not the students who are failing; it's the system's failing them. So you don't want to punish the students; you want to change the system.

Therefore, among other things in this budget, we call for tripling the funds available for after-school and summer school programs to help kids learn more. In 3 years—listen to this—3 years ago, Congress appropriated \$1 million for the Federal contribution to after-school programs. Then, the year before last, it was 40; then last year it was

200; and this year I hope it's going to be 600; and we'll have a million more children in every State in this country off the streets, in the classroom, learning more, and having a better future.

We also have to give more support for teachers, more support for teacher development, more support for teacher education, more understanding of what's involved here. You have 53 million people, and you're going to have a couple of—according to Secretary Riley, a couple of million more teachers retire in the next few years.

It should not—let me just say something. One of the big reasons that the test scores go down in math and science is that the teacher shortage has been so profound that there are a huge number of our teachers in America today in our junior and senior high schools, our middle schools and high schools, teaching courses in which they didn't have a college major or even a minor, because there was no one else available to teach them.

And we have to do more to support the recruitment and the support and the continuing teacher development of those people. One of the things in this budget that I think is particularly important, even though it's not a big number, is that we have funds for 7,000 college scholarships for young people where we pay their way to college in return for their commitment to teach for 4 years in an inner-city school or some other place where there's a serious teacher shortage of trained teachers. This is a big deal. It can make a significant difference.

I also believe that all parents should get report cards on all schools. That has worked. The Boston schools are doing it. It ought to be done everywhere. People are entitled to information. Most towns in this country, you can find out more about the local restaurants than you can about the local schools, if you're a parent, unless you just go there and hang around. I mean, it's important.

And finally, interestingly enough, you know what the teachers' organizations and teachers at the grassroots asked us to do, to put into this bill? They said, "We should say that every school district should have a reasonable, comprehensive discipline code that is actually implemented." Teachers asked for that, and I think that's important.

So again I say, look at those kids. Think about what you want America to be like in 20 years. Think about what we're going to do with this golden moment for our economy, with this first budget surplus we've had in 30 years. There's a lot of things we need to do, but nothing is more important than giving our children a world-class education—nothing. And I hope you will support it.

Thank you, and God bless you.

NOTE: The President spoke at 3:45 p.m. in the auditorium. In his remarks, he referred to Gov. Argeo Paul Cellucci of Massachusetts; Mayor Thomas M. Menino of Boston; Joanne Collins Russell, principal, and Gail Zimmerman, teacher, Jackson Mann Elementary School.

### **Statement on the Death of Paul Mellon**

*February 2, 1999*

Hillary and I are saddened by the death of Paul Mellon, one of America's most dedicated philanthropists. His generosity over a long lifetime invigorated and sustained our Nation's cultural and educational institutions. Carrying on his family's work, he donated a remarkable collection of priceless art to the National Gallery of Art, so that it could be enjoyed by future generations. He gave the Nation the Cape Hatteras National Seashore and led the restoration of Lafayette Park, across the street from the White House. He received the National Medal of the Arts and the National Medal for the Humanities, but his true recognition comes from the millions of people whose love of art his gifts inspired. His legacy of commitment to public service is, itself, priceless. Our thoughts and prayers are with his wife, Bunny, his children, Catherine and Timothy, and his grandchildren.

### **Letter to Congressional Leaders Transmitting a Report on the Korean Peninsula Energy Development Organization**

*February 2, 1999*

Dear \_\_\_\_\_:

I transmit herewith the report required under the heading "International Organiza-

tions and Programs" in title IV of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (Public Law 104-107), relating to the Korean Peninsula Energy Development Organization (KEDO). The attached report covers the period through December 1998.

Sincerely,

**William J. Clinton**

NOTE: Identical letters were sent to Ted Stevens, chairman, and Robert C. Byrd, ranking member, Senate Committee on Appropriations; and C.W. Bill Young, chairman, and David R. Obey, ranking member, House Committee on Appropriations.

### **Message to the Congress Transmitting a Report on the Emigration Policies and Trade Status of Albania**

*February 2, 1999*

*To the Congress of the United States:*

I am submitting an updated report to the Congress concerning the emigration laws and policies of Albania. The report indicates continued Albanian compliance with U.S. and international standards in the area of emigration. In fact, Albania has imposed no emigration restrictions, including exit visa requirements, on its population since 1991.

On December 5, 1997, I determined and reported to the Congress that Albania is not in violation of paragraphs (1), (2), or (3) of subsection 402(a) of the Trade Act of 1974, or paragraphs (1), (2), or (3) of subsection 409(a) of that act. That action allowed for the continuation of normal trade relations status for Albania and certain other activities without the requirement of an annual waiver. This semiannual report is submitted as required by law pursuant to the determination of December 5, 1997.

**William J. Clinton**

The White House,  
February 2, 1999.

**Remarks at a Democratic National Committee Dinner in New York City**  
*February 2, 1999*

Thank you very much. If I may, with all respect to Caroline, borrow a line from President Kennedy, it looks to me like that it is highly likely that I will increasingly be known as the person who comes with Hillary to New York. *[Laughter]*

I want to, first of all, say to all of you how grateful I am to Steve Grossman for the great work he has done as our chairman. Nobody wanted to be head of the Democratic Party when it was \$18 million in debt—*[laughter]*—but Steve Grossman, he thought it was just a minor irritant that we could do away with. And I said today—you know, Hillary came to New York today, and I went to Boston, and I'll tell you more about that in a minute. I had a great day in Boston.

She said, "Now, tell me again what you're doing in Boston." I said, "Well, I'm going to go up to Boston, and we're going to canonize Steve Grossman." And she said, "Bill, don't say that. It's the wrong religion." *[Laughter]* So I did it anyway. I introduced him to his hometown crowd today as the first person of the Jewish faith ever to be called Saint Steven. *[Laughter]* And they liked it in Boston. *[Laughter]* At least the Irish and the Italians liked it, which is a big part of the crowd. *[Laughter]*

We had a great day. I want to thank Len Barrack for the work he's done. And Governor Romer, all the staff folks. I want to thank Joe Andrew and Beth Dozoretz for being willing to serve. I want to thank Judith Hope for doing a great job here in New York. And I cannot tell you how grateful I am to Jerry Nadler, Carolyn Maloney and Nita Lowey. They are treasures. They do a magnificent job for New York, but they stand up for what's right for America, and you should be so proud that our party is represented by people like them in the United States Congress.

I want to thank Congressman Klein and Speaker Silver and all my pals from Indiana who are here tonight. *[Laughter]* Joe Andrew, this is a good sign. You're going to spoil us, you know, when we go to Washington State, I'm going to be looking for the five

people from Indiana. *[Laughter]* When we're in South Texas, I'll be looking for the five people from Indiana. *[Laughter]* We're going to open every meeting with "Back Home in Indiana." *[Laughter]* We'll all sing it.

You know, I could tell when Hillary was talking to you about the women with whom she met today that it touched you. But you have to know that I think that politics only works if you have certain principles and values, you have ideas about how to implement them, and then you have some sense of what the human impact of what you do is. I mean, if this doesn't make any difference to anybody's life, why did you come out here tonight? You could have eaten downstairs for less money—*[laughter]*—which, with all respect to the owner at this restaurant, is saying something. *[Laughter]* And you could have done that.

So I'm getting ready for my next life. I'm going to be the comic that closes the show—*[laughter]*—my stand up life. I just want to tell you two stories, too, that really mean a lot to me. The other day—well, let me back up and say I believe there are two things which distinguish the two parties today on almost every issue of major significance. There may be 200, but I think there are two, for sure.

First is, what is the role of Government in making the America of our dreams in the 21st century? The first thing is, we ended the old debate that nearly wrecked this country and quadrupled the national debt and got us in a terrible hole in the 1980's, where, you know, the argument was always: Is Government the solution, or is Government the problem? And my argument was always that Government is neither, that the role of Government is to create the conditions and get people the tools to make the most of their own lives.

The second and, I think, fundamentally even more important difference is our idea of community. Our idea of community goes way beyond just saying you believe in the same things. I think most of us, in the very fiber of our being, believe that we are all interconnected, that we are an interdependent people in an increasingly interdependent world, that when you strip away all the layers, nobody is any better than anybody else, and

that we cannot find personal or family or business—economic—fulfillment without some decent concern for the ability of others to find the same. I believe that.

And I was raised with those values and had a fresh reminder involving New York City the other day, from a strange source. I have a 60-year-old cousin who runs the local HUD office, the housing project, in the little town in Arkansas where I was born. And the other day she called the White House, and we've been friends. She was the best rodeo performer in Arkansas when she was 16 years old. [Laughter] I used to watch her barrel race and rope cows and—I mean, the calves and all that stuff. She was fabulous. And she still looks like she could do it after all these years.

But she called and said she was coming to Washington for a HUD conference and wanted to spend the night, and she spent the night. And I got up, and we had breakfast in the morning. She still gets up real early like I used to do when I lived there. And so we were talking and she said, "I'm really worried about something." And I said, "What is it?" She said, "Well, you know, I come from about the smallest place represented at this conference." She said, "Most of these people are from New York or Los Angeles or someplace like that." And she said, "They tell me there are 20,000 to 30,000 children a year in foster care that turn 18 and are just turned out. Their parents don't get any more money, and some of them are foster parents who can't afford to take care of them. And a lot of these kids are just on the street when they ought to be going to college." So I said, "Well, I think we're trying to do something about that, and I'll get back to you."

Four days later, Hillary did an event about part of our budget that she has been crusading for for years, to provide funds to places like New York City to support those children, to give them a decent place to live, to give them a chance at going to college, to give them a chance to go on with their lives. Twenty thousand to 30,000 people in a country of 260 million is not all that many. But if it's your life, it's the biggest number in the world. And I thought to myself, my cousin, raised by the people on my mama's side of the family who had all the same values,

was really worried about those kids in New York City, and I was very proud to be related to her. And I am proud to be related to all of you because I think we care about that, and I think it illustrates what our party stands for.

Now, today I went up—while Hillary was having a good time in New York, I was in Boston—[laughter]—having a good time at the Mann Jackson Elementary School. It's a great school, and I won't bore you with all the details, but they had the choir singing for me. And then I met with the choir afterward, and a bunch of the students and, gosh, there were Irish kids and Italian kids and Jewish kids, and there were Arab-American kids, and there were Hispanic kids from a bunch of different countries, and there were Chinese kids, Japanese kids, Thai kids, kids from the Indian subcontinent, both Indians and Pakistanis. They were all there. And it was amazing. And I thought, you know, this is this bewildering kaleidoscope that is America.

So they're going to ask me all these questions, right? And they're all going to be very ethnically distinguishable. "What's your favorite food?" [Laughter] Chinese-American kid says, "Why do you live in such a big house? You've got more room than you need." [Laughter] And I said, "Well, it's not really my house. It's sort of a museum, and I live in a few rooms." And I said, "Well, why don't you just come down and see it?" "Do you like your job?" I said, "Now, I have to be honest." [Laughter] And I told them the truth. I said, "Every day! Even the bad days—every day."

Then there was this incredibly touching child who was quite large for his age, 9-year-old child, who was blind, who was either Indian or Pakistani; he didn't tell me, and we didn't have time to talk. And he came up and he says, "I've got a song I learned, and I want to sing this song"—barged up to the front of the line. And I said, "Well, just sing ahead." And it was an environmental song about not polluting. And the point I want to make to you is that what these children had that was different about them is part of what makes America interesting and will make us a more interesting country in the

future. But what they had in common was self-evident and profound.

And that's the other thing that means a lot to me. So I am very glad that I had the chance to serve as President. I'm very glad that we got a chance to put the ideas that I brought to the country in 1991 and 1992 into effect. I'm glad I had incredibly gifted people like the Vice President and Hillary and so many other people on our team to make it work, not the least of whom, as all of you know, is my great Secretary of the Treasury from New York, Bob Rubin.

But what matters to me is the lives that changed. You know, if you say, "Well, we've got the lowest peacetime unemployment rate since 1957," that's an applause line. But the real applause line is what it does to the lives of the people. You say, "We've cut the welfare rolls nearly in half." How did it change people's lives? If we have the lowest crime rate in 30 years, what difference does that make? That means a whole lot of people are walking around who wouldn't be even walking around otherwise. These are the stories, the songs of life, the texture of America.

And I would like to say, in much briefer and more, sort of, impressionistic language, the point I tried to make at the State of the Union, which is: Yes, I'm very glad for the economic record that has been amassed. And I'm glad that most of you have done very well in this economy and can do this and still send your kids to college—be here tonight. *[Laughter]* But what I would like to say is, I believe that we shouldn't be celebrating; we should be thanking the good Lord that we have this opportunity.

I mean, I think about past Presidents, past Members of Congress, past Governors, past you-name-it, people who had public responsibilities, who would have killed to have the circumstances that we have now, to have the freedom to face the long-term challenges of America.

And I believe that, as a political party, we have a solemn responsibility to go out and tell the American people, "Look, if you want to give us a pat on the back for being right in 1993 and bringing the deficit down, getting the interest rates down and for being right about family leave and right about the Brady bill and right about the crime bill,

that's fine. We'd be honored to have it. But what we want you to do is to think about what, as a country, we can do with these times and this prosperity. What our responsibilities are. How many new good stories we can create out there."

And this country—even though we're doing very well, we have huge challenges. And I just—the aging of America; the children of America, who are poorer than the seniors; the continuing challenge to reconcile work and family; the difficulty of maintaining our own economic expansion when there are places in America and in this city that have not felt any of the economic recovery; and when there is such instability and uncertainty around the world about the global financial system and the global trading system, where more and more ordinary citizens, not in this country even as much as other countries, have real questions about whether they will be personally benefitted if we continue to expand trade, and when we know it's the only way to keep economic growth going: These are huge questions. How can we continue to grow the economy and seriously manage the problem of global warming? A lot of people don't think about that. I have to tell you that I am—Al Gore was showing me those carbon charts 5 or 6 years ago, but for the last 24 months, it's been my cause, too. I am sold. I am convinced this is a huge deal. And the good news is that it is obvious that the technology is there to deal with this issue and continue to grow the economy, probably at a more rapid rate, and not only for us but for countries like China and India and Pakistan and Argentina and other developing countries as well.

Now, these are huge things. So what I was trying to say in the State of the Union is, we, as Americans, have a special responsibility from which it would be easy to walk away, because we're doing fine. But it's a very dynamic world, and the women that Hillary talked to today and the kids that I spoke with today, they deserve better. They deserve better. And so do you, and so do your children and your grandchildren.

We may never have another opportunity to prove that we can find ways to put billions and billions of dollars of private capital into inner city and rural neighborhoods that



haven't had any new investment in this recovery and in the process keep our own economy going.

We will never have a better time to deal with Social Security and Medicare by setting aside the lion's share of this surplus to do so or to provide for all Americans to have the opportunity to save, to invest, to create a share of wealth, something most Americans can't afford to do, even with the enormous improvement in the stock market.

And this is also for our children. I said yesterday—I want to say again, if we buy in the privately held debt and obligate the repayment of the bonds to the Social Security Trust Fund and to Medicare, we will reduce publically—debt held by the private citizens to the lowest percentage of our economy since 1917, before World War I. In 15 years—today, when your Members of Congress vote on the budget, they'll have to set aside over 13 cents of every dollar you pay in taxes to pay interest on the debt. In 15 years, that Congress will only set aside 2 cents on the dollar, if we do this.

Can you imagine what our successors will be able to do with 11 percent of your tax money? If we have a slowdown in the economy, they'll be able to afford a tax cut. If we have a crisis in education, they'll be able to deal with it. If we need to dramatically increase our investment in medical research or if we have some new security threat, they'll have the money to invest in it and we'll still be strong. And I could go on and on and on. That's what this is all about, and it will change the stories. It will change the future of the country. So I ask you to keep your energy level high, to keep your sights high, to realize that rarely do a whole people get a chance to help make the world their children and grandchildren will live in and to make it a better place. And in the process, recognizing humbly that we cannot begin to foresee everything that they will face, we will at least be giving them the tools with which to face the challenges we do not know.

That is our obligation. It is perhaps fortuitous, perhaps fated, that it occurs at the end of this century and the end of this millennium. But Hillary's theme for this occasion, "Honoring the past and imaging the future," both require us to take these steps. That's

what your presence here will enable us to do.

So I ask you to leave here with confidence, I ask you to know that the President and the First Lady feel a gratitude to the people of New York, the city and the State, that is inexpressible. But the only way we know how to express that gratitude is to seize this moment, and I want you to help us do it.

Thank you, and God bless you.

NOTE: The President spoke at 9:40 p.m. at the Le Cirque Restaurant. In his remarks, he referred to Caroline Kennedy Schlossberg; Steve Grossman, national chair; Leonard Barrack, national finance chair; Gov. Roy Romer of Colorado, general chair; Joseph J. Andrew, national chair-designate; and Beth Dozoretz, national finance chair-designate; Democratic National Committee; New York State Democratic Chair Judith Hope; former Congressman Herb Klein; Sheldon Silver, speaker, New York State Assembly; Myra J. Irvin, manager, section 8 rental assistance program, Hope, Arkansas Housing Authority; and elementary school student Gerald Mejia.

### **Remarks to the American Association of Retired Persons National Legislative Council**

*February 3, 1999*

Thank you, and good morning. Thank you, Mr. Perkins—or, good afternoon. Don't tell anybody. [Laughter] Don't tell anybody I didn't know what time it was. [Laughter]

Thank you, Mr. Perkins, for your memory of that—I did say that, about counting. Mr. McManus, Tess Canja, Margaret Dixon, John Rother, and Horace Deets: thank you especially for representing the AARP so well in dealing with the White House over the last 6 years.

I was glad to be invited to come over here today. You know, it's rare that a President gets to speak to an organization of which he's a member. [Laughter] And as I said repeatedly a couple years ago, I had mixed feelings about that, when you called my attention to the fact that I was aging. [Laughter] But I don't have mixed feelings about the record the AARP has established for 40 years, calling attention to the challenges of aging to all Americans.

Those challenges, today, are more profound than ever as we look forward to the baby boom becoming a senior boom, the number of seniors doubling by 2030. We owe it to 21st century America, to the children and the grandchildren of the baby boom, as well as to all the seniors, to meet those challenges and to meet them together.

I remember, in 1992 when I was a candidate for President, I came to your convention in San Antonio and talked about the kind of America I wanted to work with you to build, an America in which we honor our obligations to older Americans without burdening younger Americans, an America with its fiscal house in order and its future shining brightly. When I took office, we charted a new course to achieve that kind of America with fiscal discipline, more investments in our people, more trade for our goods and services around the world.

In the past 6 years, the American people have worked hard and come far. We know now that we have the longest peacetime expansion in history: nearly 18 million new jobs; wages rising at twice the rate of inflation; the highest homeownership in history; the lowest welfare rolls in history; and now, the lowest peacetime unemployment rate since 1957. Last year, for the first time in three decades, the red ink turned to black with a \$70 billion surplus. We project one slightly larger than that this year and projecting them on out for about a generation, as we have ended the structural deficits that caused our national debt to quadruple between 1981 and 1992.

I want to thank you for your hard work over these past 6 years, for standing strong for bipartisan progress on the issues of great concern to you. Now, I ask you to stand with me and to say, we must meet the great challenges of the next century. We must use this prosperity; we must use this confidence; we must use this projected surplus to save Social Security, to strengthen Medicare, to meet the challenges of the aging of America.

In my State of the Union Address, I laid out a four-point plan to do that: saving Social Security; strengthening Medicare; providing tax relief to help Americans save for their own retirement; and a tax credit to help families with long-term care for aging, ailing, and

disabled relatives. These will help our country to honor our duties to people today and to uphold our responsibility to future generations.

On Monday I sent my new balanced budget to Congress—the first budget of the 21st century—to implement this plan. First, in the budget we dedicate the lion's share of the surplus to saving Social Security and to strengthening Medicare. Both are important, and I'd like to explain why.

I proposed that we invest 62 percent of the surplus to save Social Security, and the surplus—excuse me, for the next 15 years. I am very pleased that Members of Congress in both Houses and both parties have agreed that this is the right thing to do. As you know, I have proposed investing a small portion of the Trust Fund in the private sector, to do it in a way that any private or State government pension would do. I agree with AARP that we absolutely have to insulate any investment of the surplus from political influence. And I believe we can, just as other public pension funds do.

I was in New York last night, talking to several people there in the investment community who came up to me and said they thought I was right, and they hoped that we wouldn't let initial criticism stop us from offering a plan which would demonstrate to the American people that you could run this investment just like any other public pension investment is run. And I am confident that we can do that.

If we do this, we can earn a higher return and keep Social Security sound for 55 years. Now, all of you know that from the beginning we have measured the financial health of Social Security by asking if it will be sound for 75 years into the future. I do believe we have to take steps to strengthen Social Security for 75 years. I have looked at the options. Believe me, it's a lot easier to go from 55 to 75 than it is to go from where we are now, 2032 to 75.

I also believe we have to improve the program by reducing poverty among elderly women who are twice as likely to be poor as married couples on Social Security. I believe we should eliminate the limits on what seniors on Social Security can earn. This costs the Trust Fund some money in the short run,

but over the long term it will actually strengthen the retirement systems of the country. And more importantly, it will strengthen the quality of life of people in their later years.

Now, doing these things will require some difficult choices, but they are clearly achievable. You know basically what the range of options is, and I know what it is, as well. To make them, it is clear what we have to do. We have got to work together across party lines to make these decisions. We have to work together across generational lines to make these decisions. But think of how we'll feel if we have Social Security secure for 75 years, if we lift the earnings limit, and if we do something to reduce the deeply troubling rate of poverty among single elderly women, who are growing in numbers at a very rapid rate.

I have told the American people and Members of Congress in both Houses of both parties—I've met with dozens of them, literally—that I am ready to make these choices and to make them with them, and it is time to get on with the job. Now, I feel pretty good about where we are with that, because of the initial positive support for setting aside the surplus portion for Social Security. I wanted to come here today to tell you what I said in the Union I was very serious about—I do not think it is enough. We all know that Medicare is going to have financial trouble well before Social Security does, unless we do something about it.

Now, if you look at—where is my chart? There it is. *[Laughter]* What I propose is to take 62 percent of the surplus, which you see there for Social Security—maybe I'll bring it up a little closer. *[Laughter]* You may be able to see it just fine, but I can see better from here. *[Laughter]* And then to take 15 percent, about a little less than \$1 in every \$6 of the surplus, and commit it to Medicare.

Now, some of those who agree with us on Social Security do not agree that we should do this. They would use the entire rest of the surplus for tax cuts. I believe we can only meet our responsibility to the future by saving Social Security and Medicare. Now, President Kennedy, who first proposed Medicare, once said, "To govern is to choose." And so we should have a great na-

tional debate about the choices involved in managing this surplus. After all, we haven't had one in 30 years, and it's a little unusual for us.

Yesterday we learned of a proposal that would make a very different choice about what to do with the surplus. The plan would spend well over \$1 trillion over the next 15 years on a tax proposal that would benefit clearly the wealthiest Americans, who have, I might add, done quite well as the stock market has virtually tripled in the last 6 years. I'm happy about that; we should all be. But we ought to look at this proposal against that background. It would do this before Medicare has been secured and in a way that would prevent us from spending 15 percent of this or investing 15 percent of this surplus in Medicare.

Now, to govern is to choose. I believe that's the wrong choice. I believe this is the right choice. You, the American people, and the United States Congress will have to decide. This is the latest in a rather long series of large and risky tax proposals that we have heard over the years. If we had adopted even one of the large ones, we wouldn't have the surplus we enjoy today.

We cannot return to the old policies of deficit and debt. Quite apart from our obligations to deal with the aging of America, the strength of our economy is premised on our demonstrated discipline and driving down profligate deficit spending, driving down interest rates, getting private investment up, generating opportunities for the American people.

I believe the American people should have tax relief. In a few moments I'll talk a little bit about what I think the best way to do that is. I believe there are things we can and we must do to help families. And I believe our targeted tax cut for the USA account is especially important. I'll say more about it in a moment.

But first of all, anyone who hopes to invest the surplus or to spend it on other programs or to spend it with a tax cut, must first tell America's families: What is your plan to preserve and strengthen Medicare in the 21st century? I was always taught from childhood, as most of you were, that you may want to do a lot of things, but you have to do first

things first. To me, Social Security and Medicare, with their looming financial challenges, are the first things, and we have to take care of them first.

I want to work with you to strengthen Medicare. I want to work with the results of the Medicare Commission that Senator Breaux is chairing. In the bipartisan balanced budget we reached in 1997, we extended the life of the Medicare Trust Fund by 10 years. But no one seriously believes this is adequate, particularly with more and more people qualifying for Medicare.

To stabilize Medicare, we should extend its life until 2020. To truly strengthen Medicare for the long term, we will have to take further steps. That means committing a percentage of the surplus to the Trust Fund. It also means committing ourselves to meaningful reforms that will meet the demands of the 21st century.

I am frank to tell you that some people have said, "Well, the President, by committing this amount of money from the surplus to Medicare, to the Trust Fund, is trying to convince people that we can just go on forever without making any changes in Medicare." That is simply not true, and I don't want to pretend that that's true. But neither do I believe we should be in the position of making reforms or changes that we might later regret, simply because we haven't stabilized the Trust Fund when we have the funds to do it. These funds should support meaningful reform and prevent permanent damage to Medicare and to the people who depend upon it and are entitled to rely on it.

So here's what I think we should do, with regard to at least basic principles, as we look forward to the 21st century Medicare program. Did they change the chart? Good. *[Laughter]*

First, Americans should be able to count on Medicare and know it will be there when they need it. I have proposed to use, as I said, about one of every \$6 in the surplus for the next 15 years to just simply guarantee the soundness of the Medicare fund until the year 2020. Without these new resources, Medicare spending would have to plummet significantly below the private sector average. No one believes we can have that happen

without seriously weakening a program that millions of older Americans need.

Second, Americans on Medicare should be able to count on a modern, competitive system that maintains high-quality care and top-notch service by drawing on the best private sector practices.

Third, Americans on Medicare, especially Americans with lower incomes, should be able to count on a defined set of benefits and protections without having to worry about excessive new costs they can't begin to afford.

Fourth, Americans on Medicare should be able to count on a benefit that many have long waited for and that will actually cut our cost over the long run and lengthen life and lengthen the quality life: prescription drugs.

Now, I believe we ought to use the savings that reforms in Medicare can create to provide this prescription drug benefit. Yes, it will be more costly on the front end, but over the long run it is bound to save money. It will keep people out of the hospital. It will keep people away from more expensive medical procedures. It will lengthen life, and it will lengthen the quality of life.

I want to thank especially Senators Kennedy and Rockefeller for their leadership on this issue. I look forward to working with members of both parties. But keep in mind, within these principles, my view of Medicare is: take 15 percent of the surplus; make sensible reforms; add the prescription drug benefit. All three will be required to truly strengthen Medicare for the 21st century.

Now, as I said before, we know the American people have worked very hard to replace the era of budget deficits with an age of budget surpluses. They deserve to benefit from that, and they deserve some tax relief. The real question is: What kind of tax relief and how much should it be? What are the other competing demands for the country? Again, to govern will be to choose.

I think we should use a percentage of the surplus to give Americans tax relief that strengthens working families, that encourages savings and the sharing of our Nation's wealth among a broader range of Americans. And that is why I have proposed that we set aside—we're back to the chart now—12 percent of the surplus or, over 15 years, \$536

billion, to establish USA accounts, Universal Savings Accounts, that give working Americans a chance to save for the future. These accounts would basically involve the Government giving a tax credit that would be a cash match for a certain amount of savings by Americans who save, with extra help for Americans who are lower income working families who have less ability to save on their own.

Now, all of you know that when Social Security was set up, it was never viewed as the sole source of income, ideally, for retirees. Although, unfortunately, it still is the sole source of income for a large number of people. We need a country in which we have a sound Social Security system, a sound set of pension options—and all of you know how the pension marketplace has been changing, from defined benefits to defined contributions—and we need, thirdly, a vehicle which promotes more private savings.

The USA account is designed to give tax relief—which, I might add, would be considerably greater tax relief for middle income families than most of the other proposals I've heard that cost a lot more money—but tax relief in the form that actually promotes personal savings, more secure retirement, and gives people who otherwise would not have it a chance to have a savings account which would give them the opportunity to hook into the creation of wealth in America, and to own a part of America's wealth-creating enterprise. I think it's very, very important.

I have also proposed \$1,000 tax credit to help pay for the long-term care needs of families who are caring for aged, ailing, or disabled family members. We know that long-term care needs will increase. Frankly, I would like this tax credit to be even larger. But I believe if we start now, within our other obligations to fix Social Security and Medicare and the other competing claims and responsibilities of the Government, I believe that this will become an integral part of the way we manage long-term care and will be a strong part of a bipartisan American consensus for how we should support long-term care over the long run. So I very much hope that will pass.

For middle income families I have also supported tax relief for child care, for work

related expenses for disabled Americans, for further tax relief from the interest payments on student loans, and tax relief to businesses which help their employees start retirement programs. We've worked very hard for 6 years to stabilize the existing retirement systems and to facilitate the establishment of retirement programs by more small- and medium-sized businesses for whom the old laws were quite a hassle and a lot of trouble and actually a lot of startup costs, so we're working very hard on that.

Now, this is the kind of tax relief that I think is good for the country. I have proposed tax relief to individuals and corporations who will invest money in areas of high unemployment in America, in inner cities and rural areas, to bring private enterprise to create jobs and to generate more national growth and more national wealth.

This is the first time, at least in 30 years, when we've had a level of prosperity and the resources necessary to actually get free enterprise into the inner-city and rural areas that still have been left behind by the economic expansion. And I hope you will all support that, because, keep in mind, that helps the whole economy. We have to keep finding new ways to grow this economy, even with a low unemployment rate, that doesn't spark inflation. And this is clearly the best way we can.

Now, I think this tax relief is good for America. We can afford it. It is all paid for, all this tax relief I mentioned. Except for the USA accounts, every other bit of this tax relief I mentioned is paid for in the balanced budget. It has nothing to do with this surplus. It will not have anything to do with undermining our fiscal strength.

I simply think we have to use the surplus in a way that honors our most profound responsibilities to our parents, to our children, to our grandchildren. And I think that we cannot waste a penny of it until we have saved Social Security and Medicare for the 21st century.

As I pointed out in the State of the Union Address, there is another enormous benefit that will come from saving the surplus in this way. It will enable us to buy back a lot of the national debt held by the public. And that is very important. Why? In 1981 our

total national debt amounted to about 26 percent of our annual income. In 1992 it had quadrupled in dollars, and it was about half our national income. When I got the budget charts, it was projected to go as high as 75 or 80 percent of our national income, a very dangerous situation.

Now, the national debt has dropped from 50 percent down to 44 percent of our income, but if—if—we save the money I recommend for Social Security and for Medicare for 15 years, our national debt will drop to 7 percent of our national income. That's the lowest level since 1917, before the United States entered World War I.

Now, what does that mean in practical terms to an average family? It means that we will have lower interest rates, lower home mortgage rates, lower car payment rates, more investment, a dramatic increase in national savings, and more economic growth. It also means that as we have all the financial instability you see around the world—and I want to make it clear that the financial instability, for example, we saw in Asia came primarily not out of irresponsible Government spending policies—a lot of those people had balanced budgets—but there was just turmoil in the financial markets because of banking systems and investment patterns. That undermines our ability to grow, when our trading partners get in trouble.

We need to know that we have some insurance against that sort of trouble here at home, so we can keep plugging ahead, even as we try to help our friends around the world get back on their feet and start growing again. So this is an enormous insurance policy.

The last thing I want to tell you is this: You can be thinking about what your successors around this table will be debating 15 years from now. Today, when we draw up a budget, the first thing we have to do is take interest payments on the debt off the table. Right? Some of you may own that debt; you may have Government bonds. We've got to pay you before we can do anything.

Today, that takes over 13 cents of every single tax dollar. Fifteen years from now, if we do this, it will take 2 cents of every tax dollar. Once we secure Social Security and Medicare, think what you could do with the difference in tax cuts, or investments in edu-

cation, or whatever you think it ought to be spent on. This is a very important issue.

So, 7 years ago, I said to you that if we worked together we could leave our children a nation that is stronger, freer, and wealthier than the one we inherited. Today, we actually have the chance to do this. Today, we have a chance to deal with the aging of America, a challenge facing every advanced society on Earth, in a way that is dignified, that has genuine integrity, that will strengthen not only the lives of seniors but will strengthen the lives of their children and grandchildren. It is an enormous opportunity and an enormous responsibility. I ask you to join with me to make sure that our country meets that responsibility.

Thank you, and God bless you.

NOTE: The President spoke at 2 p.m. at the Willard Hotel. In his remarks, he referred to John McManus, national legislative council chair, Joseph Perkins, president, Ester Canja, president-elect, Margaret Dixon, past president, John Rother, legislation and public policy director, and Horace B. Deets, executive director, American Association of Retired Persons (AARP).

### **Statement on Representative Richard A. Gephardt's Decision Not To Seek the Presidential Nomination**

*February 3, 1999*

Democratic Leader Gephardt and I had a good meeting this morning. He and I discussed his decision, and I feel he made the choice for the right reasons. I am pleased he will continue to focus on an agenda that will strengthen our Nation for the 21st century: saving Social Security and Medicare, strengthening public education, maintaining a strong economy, passing a Patients' Bill of Rights.

Dick has been a key ally for the past 6 years, and I know he will continue to be for the next 2. His leadership has been central to so many of the successes the Nation has enjoyed these past 6 years: from the 1993 economic plan to family and medical leave to expanding health care coverage and raising the minimum wage.

Finally, on a personal level, Hillary and I value Dick and Jane's friendship and look forward to Dick's continued leadership.

**Statement on People Magazine's  
Decision To Print a Cover Story  
Featuring Chelsea Clinton**

*February 3, 1999*

We deeply regret and are profoundly saddened by the decision of People magazine to print a cover story featuring our daughter, Chelsea. For over 6 years, the media has understood and respected the unique situation facing Chelsea as she grows up in the spot light focused on her parents. Other than at public situations where she is an integral part of our family, Chelsea has not taken on a public role. We have been very grateful for the media's restraint in allowing Chelsea the privacy that any young person needs and deserves.

Unfortunately, despite personal appeals with respect to her privacy and her security from her parents, People magazine has chosen to run the story. We can only hope that the media will continue its policy of restraint with respect to our daughter.

NOTE: This statement was released by the Office of the Press Secretary as a statement by the President and the First Lady.

**Statement on Action Against  
Invasive Species**

*February 3, 1999*

Today I am signing an Executive order directing Federal agencies to expand and coordinate their efforts to combat a serious environmental threat: the introduction and spread of plants and animals not native to the United States.

Many Americans are all too familiar with gypsy moths and other non-native insects that devour our gardens and trees. Few realize, however, that countless other non-native plants and animals are upsetting nature's balance, squeezing out native species, causing severe economic damage, and transforming our landscape. Those affected range from western ranchers plagued by a weed called

leafy spurge to Chicago homeowners whose stately maple trees have fallen prey to the Asian long-horned beetle. Some experts estimate the cost to the American economy to be as high as \$123 billion a year.

The Executive order mobilizes the Federal Government to defend against these aggressive predators and pests. Led by the Departments of the Interior, Agriculture, and Commerce, Federal agencies will work together to prevent the introduction of non-native species and control those already here. My fiscal year 2000 budget proposes an additional \$29 million to support these efforts, and I urge Congress to join us in protecting our economy and our natural heritage against the threat of non-native species.

**Executive Order 13112—Invasive  
Species**

*February 3, 1999*

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 *et seq.*) Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990, as amended (16 U.S.C. 4701 *et seq.*), Lacey Act, as amended (18 U.S.C. 42), Federal Plant Pest Act (7 U.S.C. 150aa *et seq.*), Federal Noxious Weed Act of 1974, as amended (7 U.S.C. 2801 *et seq.*), Endangered Species Act of 1973, as amended (16 U.S.C. 1531 *et seq.*), and other pertinent statutes, to prevent the introduction of invasive species and provide for their control and to minimize the economic, ecological, and human health impacts that invasive species cause, it is ordered as follows:

**Section 1. Definitions.**

(a) "Alien species" means, with respect to a particular ecosystem, any species, including its seeds, eggs, spores, or other biological material capable of propagating that species, that is not native to that ecosystem.

(b) "Control" means, as appropriate, eradicating, suppressing, reducing, or managing invasive species populations, preventing spread of invasive species from areas where they are present, and taking steps such as restoration of native species and habitats to

reduce the effects of invasive species and to prevent further invasions.

(c) "Ecosystem" means the complex of a community of organisms and its environment.

(d) "Federal agency" means an executive department or agency, but does not include independent establishments as defined by 5 U.S.C. 104.

(e) "Introduction" means the intentional or unintentional escape, release, dissemination, or placement of a species into an ecosystem as a result of human activity.

(f) "Invasive species" means an alien species whose introduction does or is likely to cause economic or environmental harm or harm to human health.

(g) "Native species" means, with respect to a particular ecosystem, a species that, other than as a result of an introduction, historically occurred or currently occurs in that ecosystem.

(h) "Species" means a group of organisms all of which have a high degree of physical and genetic similarity, generally interbreed only among themselves, and show persistent differences from members of allied groups of organisms.

(i) "Stakeholders" means, but is not limited to, State, tribal, and local government agencies, academic institutions, the scientific community, nongovernmental entities including environmental, agricultural, and conservation organizations, trade groups, commercial interests, and private landowners.

(j) "United States" means the 50 States, the District of Columbia, Puerto Rico, Guam, and all possessions, territories, and the territorial sea of the United States.

**Sec. 2. Federal Agency Duties.** (a) Each Federal agency whose actions may affect the status of invasive species shall, to the extent practicable and permitted by law,

(1) identify such actions;

(2) subject to the availability of appropriations, and within Administration budgetary limits, use relevant programs and authorities to: (i) prevent the introduction of invasive species; (ii) detect and respond rapidly to and control populations of such species in a cost-effective and environmentally sound manner; (iii) monitor invasive species populations accurately and reliably; (iv) provide for restora-

tion of native species and habitat conditions in ecosystems that have been invaded; (v) conduct research on invasive species and develop technologies to prevent introduction and provide for environmentally sound control of invasive species; and (vi) promote public education on invasive species and the means to address them; and

(3) not authorize, fund, or carry out actions that it believes are likely to cause or promote the introduction or spread of invasive species in the United States or elsewhere unless, pursuant to guidelines that it has prescribed, the agency has determined and made public its determination that the benefits of such actions clearly outweigh the potential harm caused by invasive species; and that all feasible and prudent measures to minimize risk of harm will be taken in conjunction with the actions.

(b) Federal agencies shall pursue the duties set forth in this section in consultation with the Invasive Species Council, consistent with the Invasive Species Management Plan and in cooperation with stakeholders, as appropriate, and, as approved by the Department of State, when Federal agencies are working with international organizations and foreign nations.

**Sec. 3. Invasive Species Council.** (a) An Invasive Species Council (Council) is hereby established whose members shall include the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Transportation, and the Administrator of the Environmental Protection Agency. The Council shall be Co-Chaired by the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of Commerce. The Council may invite additional Federal agency representatives to be members, including representatives from subcabinet bureaus or offices with significant responsibilities concerning invasive species, and may prescribe special procedures for their participation. The Secretary of the Interior shall, with concurrence of the Co-Chairs, appoint an Executive Director of the Council and shall provide the staff and administrative support for the Council.



(b) The Secretary of the Interior shall establish an advisory committee under the Federal Advisory Committee Act, 5 U.S.C. App., to provide information and advice for consideration by the Council, and shall, after consultation with other members of the Council, appoint members of the advisory committee representing stakeholders. Among other things, the advisory committee shall recommend plans and actions at local, tribal, State, regional, and ecosystem-based levels to achieve the goals and objectives of the Management Plan in section 5 of this order. The advisory committee shall act in cooperation with stakeholders and existing organizations addressing invasive species. The Department of the Interior shall provide the administrative and financial support for the advisory committee.

**Sec. 4. Duties of the Invasive Species Council.** The Invasive Species Council shall provide national leadership regarding invasive species, and shall:

(a) oversee the implementation of this order and see that the Federal agency activities concerning invasive species are coordinated, complementary, cost-efficient, and effective, relying to the extent feasible and appropriate on existing organizations addressing invasive species, such as the Aquatic Nuisance Species Task Force, the Federal Inter-agency Committee for the Management of Noxious and Exotic Weeds, and the Committee on Environment and Natural Resources;

(b) encourage planning and action at local, tribal, State, regional, and ecosystem-based levels to achieve the goals and objectives of the Management Plan in section 5 of this order, in cooperation with stakeholders and existing organizations addressing invasive species;

(c) develop recommendations for international cooperation in addressing invasive species;

(d) develop, in consultation with the Council on Environmental Quality, guidance to Federal agencies pursuant to the National Environmental Policy Act on prevention and control of invasive species, including the procurement, use, and maintenance of native species as they affect invasive species;

(e) facilitate development of a coordinated network among Federal agencies to docu-

ment, evaluate, and monitor impacts from invasive species on the economy, the environment, and human health;

(f) facilitate establishment of a coordinated, up-to-date information-sharing system that utilizes, to the greatest extent practicable, the Internet; this system shall facilitate access to and exchange of information concerning invasive species, including, but not limited to, information on distribution and abundance of invasive species; life histories of such species and invasive characteristics; economic, environmental, and human health impacts; management techniques, and laws and programs for management, research, and public education; and

(g) prepare and issue a national Invasive Species Management Plan as set forth in section 5 of this order.

**Sec. 5. Invasive Species Management Plan.** (a) Within 18 months after issuance of this order, the Council shall prepare and issue the first edition of a National Invasive Species Management Plan (Management Plan), which shall detail and recommend performance-oriented goals and objectives and specific measures of success for Federal agency efforts concerning invasive species. The Management Plan shall recommend specific objectives and measures for carrying out each of the Federal agency duties established in section 2(a) of this order and shall set forth steps to be taken by the Council to carry out the duties assigned to it under section 4 of this order. The Management Plan shall be developed through a public process and in consultation with Federal agencies and stakeholders.

(b) The first edition of the Management Plan shall include a review of existing and prospective approaches and authorities for preventing the introduction and spread of invasive species, including those for identifying pathways by which invasive species are introduced and for minimizing the risk of introductions via those pathways, and shall identify research needs and recommend measures to minimize the risk that introductions will occur. Such recommended measures shall provide for a science-based process to evaluate risks associated with introduction and spread of invasive species and a coordinated and systematic risk-based process to

identify, monitor, and interdict pathways that may be involved in the introduction of invasive species. If recommended measures are not authorized by current law, the Council shall develop and recommend to the President through its Co-Chairs legislative proposals for necessary changes in authority.

(c) The Council shall update the Management Plan biennially and shall concurrently evaluate and report on success in achieving the goals and objectives set forth in the Management Plan. The Management Plan shall identify the personnel, other resources, and additional levels of coordination needed to achieve the Management Plan's identified goals and objectives, and the Council shall provide each edition of the Management Plan and each report on it to the Office of Management and Budget. Within 18 months after measures have been recommended by the Council in any edition of the Management Plan, each Federal agency whose action is required to implement such measures shall either take the action recommended or shall provide the Council with an explanation of why the action is not feasible. The Council shall assess the effectiveness of this order no less than once each 5 years after the order is issued and shall report to the Office of Management and Budget on whether the order should be revised.

**Sec. 6. Judicial Review and Administration.** (a) This order is intended only to improve the internal management of the executive branch and is not intended to create any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or any other person.

(b) Executive Order 11987 of May 24, 1977, is hereby revoked.

(c) The requirements of this order do not affect the obligations of Federal agencies under 16 U.S.C. 4713 with respect to ballast water programs.

(d) The requirements of section 2(a)(3) of this order shall not apply to any action of the Department of State or Department of Defense if the Secretary of State or the Secretary of Defense finds that exemption from

such requirements is necessary for foreign policy or national security reasons.

**William J. Clinton**

The White House,  
February 3, 1999.

[Filed with the Office of the Federal Register, 8:45 a.m., February 5, 1999]

NOTE: This Executive order was published in the *Federal Register* on February 8.

### **Proclamation 7166—American Heart Month, 1999**

*February 3, 1999*

*By the President of the United States  
of America*

#### **A Proclamation**

Thanks to the dedicated efforts of scientists and researchers and the strong support of the American public, today we stand at the threshold of a new frontier in the prevention and treatment of heart disease. And in coming years, Americans will reap even greater benefits from our ongoing commitment to heart research.

Already, research has profoundly altered scientists' understanding of heart disease, revealing that the likelihood of heart disease is increased by risk factors such as smoking, high blood pressure, high blood cholesterol, diabetes, obesity, physical inactivity, and a family history of early heart disease. Armed with this knowledge, millions of Americans have been able to take steps to reduce their risk of illness. Thanks to scientific discoveries, those already afflicted with heart disease now have access to lifesaving therapies and procedures such as clot-dissolving drugs, cardiopulmonary resuscitation, defibrillation, and balloon angioplasty.

Even greater advances lie ahead. Fields on the verge of delivering major innovations include molecular genetics, gene therapy, biotechnology, immunology, and epidemiology. The next breakthroughs will include better noninvasive diagnostic tools that can help physicians examine the heart and blood vessels without surgery; an implantable mechanical device that can restore heart function to

those suffering heart failure; and a drug that can promote the growth of new blood vessels to body tissues and organs with poor circulation.

But technology is not a panacea. Despite the great gains we have made, heart disease remains the leading cause of death in the United States, and millions of Americans have at least one risk factor for heart disease. Moreover, recent data have shown a slight rise in the death rate for stroke and a slowing in the decline of the death rate for coronary heart disease. Some cardiovascular conditions, such as heart failure, as well as two key heart disease risk factors, obesity and physical inactivity, are on the increase among Americans.

We must work together to make all Americans aware of the information science has given us regarding controllable risk factors for cardiovascular disease. It is particularly important that we reach out to African Americans, Hispanic Americans, other minority communities, and women, who often are at high risk for heart disease and stroke, and ensure that they have access to the resources and information they need to guard against these afflictions. We must also encourage families to teach their children the importance of adopting healthy lifestyle practices early and maintaining them into and throughout adulthood.

The Federal Government continues to play a vital role in improving the cardiovascular health of Americans by supporting research and public education through the National Heart, Lung, and Blood Institute of the National Institutes of Health. The American Heart Association, through its research and education programs and its broad network of dedicated volunteers, also plays a crucial part in bringing about much-needed advances.

As Americans look ahead to a new century and a new millennium, we should use the momentum of past heart research as a springboard to even greater gains. In recognition of the importance of the ongoing fight against cardiovascular disease, the Congress, by Joint Resolution approved December 30, 1963 (77 Stat. 843; 36 U.S.C. 169b), has requested that the President issue an an-

nual proclamation designating February as "American Heart Month."

**Now, Therefore, I, William J. Clinton,** President of the United States of America, do hereby proclaim February 1999 as American Heart Month. I invite the Governors of the States, the Commonwealth of Puerto Rico, officials of other areas subject to the jurisdiction of the United States, and the American people to join me in reaffirming our commitment to combating cardiovascular disease and stroke.

**In Witness Whereof,** I have hereunto set my hand this third day of February, in the year of our Lord nineteen hundred and ninety-nine, and of the Independence of the United States of America the two hundred and twenty-third.

**William J. Clinton**

[Filed with the Office of the Federal Register, 8:45 a.m., February 5, 1999]

NOTE: This proclamation was published in the *Federal Register* on February 8.

**Memorandum on Vietnamese Cooperation in Accounting for United States Prisoners of War and Missing in Action**  
*February 3, 1999*

Presidential Determination No. 99-12

*Memorandum for the Secretary of State*

*Subject:* Vietnamese Cooperation in Accounting for United States Prisoners of War and Missing in Action (POW/MIA)

As provided under section 609 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999, as contained in the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, Public Law 105-277, I hereby determine, based on all information available to the United States Government, that the Government of the Socialist Republic of Vietnam is fully cooperating in good faith with the United States in the following four areas related to achieving the fullest possible accounting for Americans

unaccounted for as a result of the Vietnam War:

1) resolving discrepancy cases, live sightings, and field activities;

2) recovering and repatriating American remains;

3) accelerating efforts to provide documents that will help lead to the fullest possible accounting of POW/MIAs; and,

4) providing further assistance in implementing trilateral investigations with Laos.

I further determine that the appropriate laboratories associated with POW/MIA accounting are thoroughly analyzing remains, material, and other information and fulfilling their responsibilities as set forth in subsection (B) of section 609, and information pertaining to this accounting is being made available to immediate family members in compliance with 50 U.S.C. 435 note.

I have been advised by the Department of Justice that section 609 is unconstitutional because it purports to use a condition on appropriations as a means to direct my execution of responsibilities that the Constitution commits exclusively to the President. I am providing this determination as a matter of comity with the Congress, while reserving the position that the condition enacted in section 609 is unconstitutional.

In making this determination, I have taken into account all information available to the United States Government as reported to me, including the full range of ongoing accounting activities in Vietnam, joint and unilateral Vietnamese efforts, and the concrete results we have attained as a result of these efforts.

Finally, in making this determination, I wish to reaffirm my continuing personal commitment to the entire POW/MIA community, especially to the immediate families, relatives, friends, and supporters of these brave individuals, and to reconfirm that the central, guiding principle of my Vietnam policy is to achieve the fullest possible accounting of our prisoners of war and missing in action.

You are authorized and directed to report this determination to the appropriate committees of the Congress and to publish it in the *Federal Register*.

**William J. Clinton**

## **Remarks at the Ribbon-Cutting Ceremony for the "Marching Toward Justice" Exhibit**

*February 3, 1999*

Thank you very much. Judge Keith, it's good to be in your presence again. Mrs. Marshall, Rosa Parks. Mr. Hill, I'm honored to be in your presence, sir. President Swygert, President Reid, Mr. Mecham; to Congressman Clyburn and members of the Congressional Black Caucus and any other Members of Congress who may be here; Mr. Holder, Mr. Lee, and Justice Department officials who are here; to all the members of the White House staff, but especially Thurgood Marshall, Jr., I thank you for permitting me to be a small part of this momentous day.

"We are all created equal," the simplest, most powerful idea about human beings ever articulated. Our history is largely the story of Americans of courage and vision who have stepped forward, often at risk to their lives, to lead us in our ongoing march toward justice and equality. I thank you for chronicling their journey in this exhibit.

Perhaps no one in this century did more to open the doors to "the glorious temple of American liberty" than the man we honor and remember tonight, Justice Thurgood Marshall. You honor with this exhibit the courage of a man who traveled to towns of the segregated South, places where he couldn't find a bite to eat when he was hungry, a bed to rest when he was tired, a police officer's protection when he was threatened. He did all that to argue that we are all created equal.

We honor the genius of a man who masterminded a strategy to dismantle Jim Crow, case by case, trial by trial, decision by decision, from Baltimore to Topeka to Little Rock to the United States Supreme Court.

The 14th amendment, with its promise of equal protection under law, was Thurgood Marshall's sword and shield. It was pretty moribund when he began to work on it, but he breathed life into it and transformed it into a living charter of freedom. The legacy of the 14th amendment—the legacy of Justice Marshall, the legacy of his mentor, Charles Houston, his colleagues such as

Wiley Branton and Jack Greenberg and Oliver Hill, the legacy of others we have lost, like that great lion, Leon Higginbotham, our friend—that legacy can be seen every day, everywhere in America, in classrooms, in libraries, in restaurants, and in the lives and careers of so many of the men and women standing here tonight.

Because the road to freedom and justice is long and never ends, we can honor Thurgood Marshall best not only with grand buildings and museum exhibits but with great vision and vigorous action, to make equality ever more real and discrimination that some day will be something that can only be found in museum exhibits. No one should be denied a home or a job, a world-class education or equal pay for equal work or, indeed, any part of the American dream, because of race or disability or gender or sexual orientation or religion.

During some of the darkest days of Jim Crow, a single phrase whispered in African-American communities all across the South would give hope to millions: “Thurgood is coming.” Today, at the dawn of a new century, it is up to each and every one of us to ensure that Thurgood is still coming.

So let us pick up his sword and his shield and fight for that more perfect Union, that one America that was his great and lasting gift to all of us.

Thank you very much.

NOTE: The President spoke at 7:15 p.m. in the atrium at the Thurgood Marshall Federal Judiciary Building. In his remarks, he referred to Judge Damon J. Keith, U.S. Court of Appeals, Sixth Circuit; Justice Marshall’s widow, Cecilia Marshall; Rosa Parks, civil rights activist; Oliver Hill, attorney who worked with Justice Marshall while at the NAACP Legal Defense Fund; H. Patrick Swygert, president, Howard University; and Irvin D. Reid, president, Wayne State University.

### **Remarks at the National Prayer Breakfast**

*February 4, 1999*

Thank you very much, Steve. Distinguished head table guests; to the leaders from around the world who are here; the Members of Congress, Mr. Speaker and others; ladies and gentlemen.

You know, I feel exactly the way I did the first time I ever gave a speech as a public official to the Pine Bluff Rotary Club officers installation banquet in January of 1977. The dinner started at 6:30. There were 500 people there; all but three were introduced; they went home mad. [Laughter] We’d been there since 6:30. I was introduced at a quarter til ten. The guy that introduced me was so nervous he didn’t know what to do and, so help me, the first words out of his mouth were, “You know, we could stop here and have had a very nice evening.” [Laughter] He didn’t mean it the way it sounded, but I do mean it. We could stop here and have had a very wonderful breakfast. You were magnificent, Max. Thank you very much.

I did want to assure you that one of the things that has been said here today, repeatedly, is absolutely true. Senator Hutchison was talking about when we come here, we set party aside, and there is absolutely no politics in this. I can tell you that is absolutely so. I have had a terrific relationship with Steve Largent, and he has yet to vote with me the first time. [Laughter] So I know there is no politics in the prayer breakfast. [Laughter]

We come here every year—Hillary and I were staying up kind of late last night talking about what we should say today, who would be here. I think, especially in light of what Max Lucado has just said, I would like to ask you to think about what he said, in terms of the world we live in, for it is easier to talk about, than to do, this idea of making peace with those who are different from us.

We have certain signs of hope, of course. Last Good Friday, in Northern Ireland, the Irish Protestants and the Irish Catholics set aside literally centuries of distrust and chose peace for their children. Last October, at the Wye Plantation in Maryland, Chairman Arafat, Abu Mazen, and the Palestinian delegation, and Prime Minister Netanyahu and the Israeli delegation went through literally sleepless nights to try to save the peace process in the Middle East and put it back on track.

Throughout this year, our allies and we have worked to deepen the peace of Bosnia—and we’re delighted to have the leader of the Republika Srpska here today—and

we're working today to avoid a new catastrophe in Kosovo, with some hopeful signs. We also have worked to guarantee religious freedom to those who disagree with all of us in this room, recognizing that so much of the trouble in the world is rooted in what we believe are the instructions we get from God to do things to people who are different from us. And we think the only answer is to promote religious freedom at home and around the world. I want to thank all of you who helped us to pass the Religious Freedom Act of 1998. I'd like to say a special word of appreciation to Dr. Robert Seiple, the former head of World Vision, who is here with us today, who is now America's Ambassador-at-Large for international religious freedom. Later this month I have to appoint three members to the United States Commission on International Religious Freedom. The Congress has already nominated its members; we know that's a part of it. But respectfully, I would suggest it's not enough.

As we pray for peace, as we listen to what Max said, we say, "Well, of course, it is God's will." But the truth is, throughout history people have prayed to God to aid them in war. People have claimed repeatedly that it was God's will that they prevail in conflict. Christians have done it at least since the time of the Crusades. Jews have done it since the times of the Old Testament. Muslims have done it from the time of the Essene down to the present day. No faith is blameless in saying that they have taken up arms against others of other faiths, other races, because it was God's will that they do so.

And nearly everybody would agree that from time to time that happens, over the long course of history. I do believe that even though Adolf Hitler preached a perverted form of Christianity, God did not want him to prevail. But I also know that when we take up arms or words against one another, we must be very careful in invoking the name of our Lord.

Abraham Lincoln once said that in the great Civil War, neither side wanted war, and both sides prayed to the same God. But one side would make war, rather than stay in the Union, and the other side would accept war, rather than let it be rent asunder. So the war came. In other words, our great President

understood that the Almighty has His own designs, and all we can do is pray to know God's will.

What's that got to do with us? Martin Luther King once said we had to be careful taking vengeance in the name of God, because the old law of an eye for an eye leaves everybody blind.

And so, today, in the spirit in which we have truly been ministered to today, I ask you to pray for peace in the Middle East; in Bosnia and Kosovo; in Northern Ireland, where there are new difficulties. I ask you to pray that the young leaders of Ethiopia and Eritrea will find a way to avoid war. I ask you to pray for a resolution of the conflicts between India and Pakistan. I ask you to pray for the success of the peace process in Colombia, for the agreement made by the leaders of Ecuador and Peru, for the ongoing struggles to make the peace process work in Guatemala. I ask you to pray for peace.

I ask you to pray for the peacemakers, for the Prime Minister of Albania, who is here, for the Prime Minister of Macedonia. Their region is deeply troubled. I ask you to pray for Chairman Arafat and the Palestinians; for the Government of Israel; for Mrs. Leah Rabin and her children, who are here, for the awful price they have paid in the loss of Prime Minister Rabin for the cause of peace. I ask you to pray for our King Hussein, a wonderful human being, a champion of peace who, I promise you today, is fighting for his life mostly—mostly—so he can continue to fight for peace.

And finally, I ask you to pray for all of us, including yourself, to pray that our purpose truly will reflect God's will, to pray that we can all be purged of the temptation to pretend that our willfulness is somehow equal to God's will, to remember that all the great peacemakers in the world, in the end, have to let go and walk away, like Christ, not from apparent but from genuine grievances.

If Nelson Mandela can walk away from 28 years of oppression in a little prison cell, we can walk away from whatever is bothering us. If Leah Rabin and her family can continue their struggle for peace after the Prime Minister's assassination, then we can continue to believe in our better selves.

I remember on September 19th, 1993, when the leaders of Israel and the Palestinian Authority gathered in Washington to sign the peace accord, the great question arose about whether, in front of a billion people on international television, for the very first time, Chairman Arafat and Prime Minister Rabin would shake hands. Now, this may seem like a little thing to you, but Yitzhak Rabin and I were sitting in my office talking, and he said, "You know, Mr. President, I have been fighting this man for 30 years. I have buried a lot of people. This is difficult." And I started to make an argument, and before I could say anything, he said, "But you do not make peace with your friends." And so the handshake occurred that was seen around the world.

Then, a little while afterward—some time passed—they came back to Washington, and they were going to sign these agreements about what the details were of handing over Gaza and parts of the West Bank. And the two of them had to sign, on this second signing, three copies of these huge maps, books of maps. There were 27 maps—you remember—27 maps. There were literally thousands of markings on these maps, on each page—what would happen at every little crossroad, who would be in charge, who would do this, who would do that, who would do the other thing. And right before the ceremony there was a hitch, and some jurisdictional issue was not resolved. And everybody was going around in a tizzy. And I opened the door to the little back room where the Vice President and I have lunch once a week, and I said to these two people, who shook hands for the first time not so long ago, "Why don't you guys go in this room and work this out. This is not a big deal." Thirty minutes later they came out. No one else was in there. They worked it out. They signed the copies 3 times, 27 pieces each, each page they were signing. And it was over.

You do not make peace with your friends, but friendship can come with time and trust and humility when we do not pretend that our willfulness is an expression of God's will.

I do not know how to put this into words. A friend of mine last week sent me a little story out of Mother Teresa's life when she said she was asked, "When you pray, what

do you say to God?" And she said, "I don't say anything. I listen." And then she was asked, "Well when you listen, what does God say to you?" And she said, "He doesn't say anything, either. He listens." [Laughter]

In another way, St. Paul said the same thing: "We do not know how to pray as we ought, but the Spirit, Himself, intercedes for us with sighs too deep for words."

So I ask you to reflect on all we have seen and heard and felt today. I ask you to pray for peace, for the peacemakers, and for peace within each of our hearts—in silence.

Amen.

NOTE: The President spoke at 9:26 a.m. in the International Ballroom at the Washington Hilton Hotel. In his remarks, he referred to Representative Steve Largent, master of ceremonies; Rev. Max Lucado, pastor, Oak Hills Church of Christ, San Antonio, TX; Yasser Arafat, Chairman, and Abu Mazen, Secretary General of the Executive Committee, Palestinian Authority; Prime Minister Binyamin Netanyahu of Israel; Prime Minister Milorad Dodik of the Republica Srpska; Prime Minister Pandeli Majko of Albania; Prime Minister Ljubco Georgievski of the Former Yugoslav Republic of Macedonia; Leah Rabin, wife of Prime Minister Yitzhak Rabin; and King Hussein I of Jordan.

### Remarks on Presenting the Malcolm Baldrige National Quality Awards February 4, 1999

**The President.** Thank you very much. I must say I always love coming to this; this is the fifth time I have participated in the Baldrige Awards in the 6 years I have—this is the seventh year of my Presidency—I've done this five times. And I like it because this group is always so restrained, laid back, unexpressive, you know. [Laughter] Amazing.

I want to thank Secretary Daley for his truly outstanding service. And this is the first time he's told me he intended to stay the whole 2 years; I appreciate that. [Laughter]

I want to thank Roger Ackerman, who is genuinely devoted to the Baldrige Awards. And I thank all of those who are responsible for the program. We're glad to have Tish Baldrige here today. I thank Barry Rogstad, Bob Jones, Ernie Deavenport. I thank the

National Institute for Standards and Technology.

I want to also thank my Adviser for Science and Technology, Dr. Neal Lane, who is here; and Congressman Jay Inslee from Washington State, who came to wave the flag for Boeing. And I congratulate Boeing Airlift and Tanker, Solar Turbines, and Caterpillar and Texas Nameplate, all of you for your great recognition today.

### **Kosovo**

Let me say to all of you—I have to ask your indulgence for a moment. This is the only opportunity I will have to be before the press for the rest of the day, and I know that you have been following the events in the Balkans and Kosovo and the work we're doing there to try to promote peace and avert another ethnic slaughter in the former Yugoslavia. And Secretary Albright's going to say something about this later today, but I need to take just a minute or two to speak not only to you but through you, to the American people about this subject.

We have worked for years to restore peace in the former Yugoslavia. Three years ago—I am very proud of the role the United States played in ending the war in Bosnia with our NATO allies, with Russia, and other allies—we sent 28,000 troops to that country, then. There are fewer than 7,000 today, and we are continuing our drawdown. But the peace process has taken hold.

I just came from the annual Presidential Prayer Breakfast that Congress sponsors, something I never thought I'd live long enough to see: the Prime Minister of the Serbian Republic within Bosnia—you know, there's a Serbian Republic, and then there is the other republic, which is basically made up of the Croats and the Muslims—the head of the Serbian Republic came to the Prayer Breakfast and looked at me, after all the battles we've fought, and he said, "You know, we wouldn't be at peace today if it weren't for the United States." And it could have—[*applause*].

But I would like to say to all of you, to the American people, what I said to the American people 3 years ago. The Balkans are an explosive area. They touch other difficult areas. And unless we can contain and

ultimately defuse the ethnic hatreds in that region, they could embroil us, ultimately, in a much larger conflict with much more human loss.

Now, the biggest remaining danger to our objective of peace and stability in Europe has been the fighting in Kosovo. Unlike Bosnia, Kosovo is actually still legally a part of Serbia. But it is supposed to be autonomous under their law. Interestingly enough, Kosovo, which is primarily made of Albanian natives, is where the fighting in the former Yugoslavia began over a decade ago. We have an interest in seeing that that is where it ends.

If it continues, almost certainly it will draw in the neighboring countries of Albania and Macedonia. Both of their Prime Ministers came here today to meet with me and urge me to have the United States help to stop this war. It could potentially involve our NATO allies Greece and Turkey. It could spark tensions again in Bosnia and undo what we just spent 3 years trying to do.

Certainly, if this conflict continues we'll see another massive humanitarian crisis; there will be more atrocities, more refugees crossing borders, more people crying out for justice, and more people seeking revenge.

Our experience in the Balkans, and specifically in Bosnia, which all of you will remember, teaches us a sobering lesson: Where you have these smoldering ethnic hatreds, where you know they can get out of hand and destabilize millions and millions of other people, violence begets violence. If you don't oppose the violence, it just gets worse and worse and worse, until finally you do oppose it at a much, much higher price, under more dangerous conditions. Therefore, the time to stop this conflict in Kosovo is now, before it spreads, and when it can be contained at an acceptable cost.

We have agreed with our allies on a strategy that we believe can bring peace and to back that strategy with the threat of force by NATO. If a settlement—and it's a big if—if a settlement is reached, a NATO presence on the ground in Kosovo could prove essential in giving both sides the confidence they need to pull back from their fights. If that happens, we are seriously considering the possibility of our participation in such a force.



We are discussing it now with Congress and our allies. No decision has been reached.

Our willingness to contribute troops will depend upon a number of things, and I'd like to outline them:

Number one, a strong and effective peace agreement: If both parties haven't committed to stop killing each other, there's no point in our sending Americans and other NATO forces and other allied forces into a situation where we can't succeed.

Number two, the parties must demonstrate a commitment to implementing the agreement and to cooperating with NATO and any other people who go in with us.

Number three, we have to have a permissive security environment, with the withdrawal of enough Serbian security forces and an agreement restricting the weapons of the Kosovar paramilitaries.

And finally, we have to have a well-defined NATO mission with a clear exit strategy. Our European allies and partners will have to contribute a substantial majority of the troops. But NATO is a partnership, and they have a right to expect the United States, which has been the leader of NATO for 50 years now, to be a part of that. For now, we don't have to reach that question because the peace talks will begin on Saturday in France.

I would like to give a message, I believe, on behalf of all Americans, to both sides. For the Kosovar Albanians, I'd like to say that this is a chance not just to stop your people from getting killed but take control of your destiny, where your rights, your faith, and your culture are respected and you have the autonomy you have been promised by law.

For the Serbs, this is a chance to prove Kosovo can remain part of your country while regaining its autonomy and peace. For the people of both communities, this is a chance to stop wasting your energies and your lives on a useless war and to start conserving them for building a more open and prosperous future for your children. I hope that the people will take this chance. The United States will do what we can to support them.

Thank you very much.

### **Baldrige Awards**

I do love the Baldrige Awards. I love it when all the employees are up there cheering. I think people ought to like what they do. Do you ever think about how many fewer problems we'd have in this country if everybody was happy at work every day? [*Laughter*] You laugh, but you think about it. How would you feel if you came here and you didn't feel like waiving those handkerchiefs?

You know, it's a great joy for me and for Secretary Daley—he alluded to this—to have had the opportunity to serve our country at a time when we got out of debt and we went into surpluses and we drove interest rates down and we had all this new investment and all these new jobs. And now we've got the longest peacetime expansion in history and the lowest peacetime unemployment rate since 1957 and the lowest minority unemployment rate among African-Americans and Hispanics ever recorded, since we started doing that in '72, and wages rising at twice the rate of inflation and the highest homeownership in history, and for the first time, even in our cities, there are more homeowners than renters—never happened before.

It's wonderful for us to have been a part of that. But we know that what we in Government do is to create the conditions in which all of you create those jobs and create that economic activity. In fact, one of the things that I'm proudest of is that the Government's share of this economic expansion has been lower than any previous one since World War II. We have a smaller Federal Government than we've had at any time since President Kennedy was here. And I see every day fresh evidence that it is not only the changes in the direction of the Government, it has been changes in the direction of American business that has brought America back.

Boeing Airlift and Tanker, Texas Nameplate, Solar Turbines, you're showing the world that you can enhance competitiveness and make companies better places to work. You're showing the world that you can be good at what you do and happy while you do it. The employees are true stakeholders in the progress, not only of their companies

but of our country, with new ideas and sharing in results.

I was particularly impressed to hear about how the winning companies helped employees enhance their skills, because that is a particular obsession of mine—that many have provided on-site GED and English-as-a-second-language classes, reimbursed for college in advanced degrees, even paid for books. We have worked very hard to create a system in America of lifetime learning, but companies have to be a big part of it.

I'd also like to thank one of our honorees, Dale Crownover for going back to college at the age of 42 to get his degree and setting a good example for his employees.

Now, as I said, you have brought America back, you and companies like you. When the Baldrige Awards started, our country was having difficulty in the international marketplace, and the vision of the Baldrige Awards was to show that there were American companies who were operating at world-class levels, and they ought to be honored, and then they ought to be emulated. And I think that you can take a great deal of pride in knowing that both those things have happened.

I heard a remarkable statistic—I hope it's true, because I'm fixing to say it. [Laughter] Normally, when somebody digs up a fact for me, it's so. Listen to this: Stock in companies that have won Baldrige Awards has surged at nearly 3 times the pace of the S&P 500 as a whole.

Now, when you consider the fact that the stock market has nearly tripled since January of '93, the fact that the stock in the companies winning the Baldrige Award has gone up 3 times faster than the S&P index, I think that's pretty darned impressive. And it shows you that if we can—one of the things that I hope always comes out of these Baldrige Awards, I hope that they'll be in business publications and in newspapers and on television stations all over America, and I keep hoping that all of you get hit on, then, all year long, after you get off this stage, from people wanting to know how you did what, because I hope that everybody will be out there trying to follow your lead and figure out how to do better, as you have done.

Because in spite of the fact that we have the lowest unemployment rate in peacetime

since Boeing introduced the 707 in 1957, we know that the world is changing rapidly. And as every businessperson knows, once you slow down, the competition catches up. So this is not a time for America, with its prosperity, to slow down. It's a time to bear down and look at the long-term challenges facing us in the 21st century.

I would just like to briefly mention three points. Our economic success as a nation has come from a commitment to fiscal discipline, investing in our people, and expanding our markets. And I believe we have a great deal more to do in all areas. And let me just briefly say, in the State of the Union Address, I made what I expect to be an increasingly controversial proposal. I said, "We've got the first surplus in 30 years now. We project that we will average big surpluses over the next 25 years. I recommend that for 15 of those 25 years, we actually save almost 80 percent of the surplus and save it because when the baby boomers become the senior boom when we all retire, there will only be about two people working for every one person drawing Social Security."

**Audience member.** [Inaudible] [Laughter]

**The President.** And—did you laugh at me or what you said? [Laughter] Listen, as one of them, I don't think it's too funny, myself. [Laughter]

And the Social Security payroll tax will not be sufficient to cover Social Security payments by 2013. By 2032, the Trust Fund will run out of money. Meanwhile, we're all living longer and depending more on sophisticated technology, so Medicare is projected to not cover its costs by 2010.

Now, I believe we can debate within the Congress, within the Democrats and Republicans, exactly how we're going to fix Medicare and how we're going to fix Social Security, but I know one thing: You're not going to fix big, sweeping demographic changes like this without some money. And so what I propose to do is to save this portion of the surplus, about a little over 60 percent for Social Security, 15 percent for Medicare for 15 years. And while we're doing it, to buy back the public debt with the money we're saving, because we don't need to spend it right now.

Now, if we do that, we will not only be able to save Social Security and Medicare in a way that will prevent the baby boomers from putting an impossible burden on our children and our grandchildren, which I can tell you as the oldest of the baby boomers is something that my generation constantly worries about, that when we all retire the cost of our retirement will be too burdensome on our children and their ability to raise our grandchildren. It will not only do that. It will enable us to pay down our debt.

Now, if anybody had ever told you 5 or 6 years ago we'd even have a conversation about paying down the debt, you'd probably thought they had slipped a gasket. But I'd like to tell you why it's important. We just presented a budget to Congress. Before we do anything with that budget, we have to pay interest on the national debt. The national debt quadrupled between 1981 and 1993. When I took office, it was taking over 14 cents of every dollar just to pay interest. Every time you pay a dollar in tax to the Federal Government, before we can spend it on the United States military, including the Army Band who were magnificent today, before we can spend it on education, before we can spend it on the environment, before we can spend it on health care, before we can spend it on a tax cut, before we can do anything with it, we had to take over 14 cents on the dollar and pay interest on the debt. And they told me, my economists, that it wouldn't be anytime until we'd be up to over 20 cents on the tax dollar in interest.

Now, if you save this much money for 15 years, it will take our public debt from 50 percent, where it was when I took office, of our annual income, down to 7 percent of our annual income. It will be the lowest it's been since 1917, just before we entered World War I. And it will take debt service down to 2 cents on the dollar. And then our successors, the people that are up here running the show 15 years from now, they can do whatever they want with that 11 cents. They can give it back to you in a tax cut. They can invest it in education. They can invest it in whatever else we need. They can make sure we keep modernizing our military. They can do whatever is the right thing then. But I know it is the right thing to prepare for the

retirement of the baby boomers and to stabilize these programs and to get this debt down.

There's something else I'd like to say. A lot of you compete in international markets. On the way in today—just today—Roger and I were talking about the difficulty of—and Secretary Daley—we were talking about the importance of trying to keep these Asian markets open, with all this financial turmoil over there, and they're not having enough money. You know, Secretary Rubin and I, we worked very hard to keep the financial crisis in Asia from spreading to Latin America. Thirty percent of our growth has come from exports.

Now, we don't know what's going to happen beyond our borders. But I know this: No matter what happens, we'll be better off. Interest rates will be lower; there will be more money to spend on new plant and equipment; there will be more money to invest in American economic growth if we pay down this debt and we keep your interest rates low. Then if the world takes off again—and we're working for it—we'll do even better. And if there are problems in the world, we won't get hurt nearly as badly as we otherwise would have been.

So I implore you, if we want more and more stories like the ones we celebrate today, I hope you will support our efforts to save a substantial portion of this surplus until we have secured Social Security, stabilized Medicare, and guaranteed low interest rates for another 15 years. It's important for America.

The second thing I'd like to say is that just as you make investments in your employees, we must make more investments. America has had for many years a budget deficit and an investment deficit. While we have cut the deficit, we've almost doubled our investment in education and training. But 88 percent of the companies—listen to this—88 percent of the companies in manufacturing today are having trouble finding qualified applicants to fill at least one kind of job. One in five companies report that they cannot expand because they have not been able to have workers with the right mix of skills to support the expansion.

That's why I'm so grateful, as I said before, for the example that you were setting in your workplace and why our administration, the Vice President and Secretary Daley, Secretary Riley, and others, have worked so hard to set up a system of lifetime learning, to open the doors of college to all with tax credits and scholarships and much lower cost student loans, and many, many other things.

In this budget of mine, we are proposing a big new investment in our worker training system so we can support training and re-employment for every person who loses a job in America. We want to help millions more whose first language is not English, learn it. We want to help many more people come back and finish their GED and then go on to college. And you are setting a good example.

We also, in this budget, have tried to provide the private sector with the necessary incentives to reach the biggest group of new markets that we haven't fully tapped, and those are the markets for employees and consumers in the inner city and in rural areas that still haven't been part of our recovery. Now, this is very important.

In America today, in the urban and rural neighborhoods where unemployment is high and growth is low, there is a consumer market of \$85 billion in those areas, bigger than the consumer market of Mexico, which is our second-largest purchaser of American products and trading partner. So what I have asked the Congress to do is to pass laws providing tax credits for people who invest in these designated areas, and also setting up a model, sort of like our Overseas Private Investment Corporation, which many of you in this room have used before, to guarantee a portion of investments in an inner city, so that, for example—suppose that in a big urban census area that had a 15-percent unemployment rate, you were willing to go in and set up a plant with 300 people and train them and do all that, and the initial investment was \$300 million. If you took full advantage of this proposal of ours, you could have 2 of that \$300 million guaranteed in the “American Private Investment Corporation.” The other \$100 million, you'd get a 25 percent tax credit for the investment. So if we put together \$300 million of investment in

an underdeveloped area, you would actually have only \$75 million at risk. That's a pretty good deal.

And we can—if we can't take free enterprise into these urban and rural areas that have had no recovery now, with our lowest peacetime unemployment rate since 1957, with a high growth rate, and with safer investment opportunities at home than many of those abroad we pursued—if we can't fix America now, when will we ever be able to do this? So again, I hope you will support this.

The last thing I'd like to ask you to do is to support the continued expansion of trade. In the State of the Union Address, I said, “We've got to build a new consensus on trade in America and beyond our borders.” We've got to be able to convince the American people and people in other countries that trade benefits ordinary citizens, that it doesn't have to tear the environment up. It certainly doesn't have to depress labor standards.

I know, and many of you in this room know, that 30 full percent of all this growth that we all celebrate all the time, came because we've expanded trade. And so I ask for your support to make sure that the financial crisis we saw in 1998 doesn't become a trade crisis in 1999 because we don't do everything we can to continue to expand trade and support open borders.

Just last week the Vice President announced our plan to call for a big reduction in agricultural tariffs, which now average 40 percent. We're trying to restore the traditional trade authority that Presidents since Gerald Ford have had, to create new opportunity for American companies. We are committed to doing this, and I thank you for your applause. But you know as well as I do that a lot of Americans—it's very interesting—when we had this trade debate last year, I found that there was an unusual alliance in the Congress between some of the most conservative Republicans and some of the most liberal Democrats, both of whom thought those of us who were sort of stuck in the middle believing that we could actually create a new world economic system that would benefit ordinary people were wrong, and they thought we had to withdraw.

As I said, I'm working hard within my own party to build a consensus on this, and at the same time I'm trying to reach out to Republicans to build a consensus with them. But I do not believe we can continue to grow the American economy and raise American incomes and reach into America's distressed neighborhoods unless we continue, also, to reach out to the rest of the world.

Furthermore, I believe we can minimize the likelihood that we will ever have to send our men and women in uniform into a big conflict if we have economic and other cooperation with countries that show that there are other ways to solve your difficulties than taking up arms and robbing children of their future.

So that's what I think we ought to do. I'm glad we're doing well. I am grateful for having had the chance to serve. I am very mindful of the fact that a lot of the credit for America's success goes to companies and the people who work for them, like those we honor today. But I am absolutely certain that this is not the time to sort of sit back on our laurels and say, "Isn't this nice. We've waited for 40 years for a time like this. I think I'll take a vacation."

This is a time to take this prosperity we have and this confidence we have and expand our efforts. We can meet the long-term challenges of the 21st century. We can alleviate the looming specter that the baby boom might bankrupt our children and our grandchildren to pay for our retirement. We can guarantee a secure retirement, a compact within the generations, and we can pay down the national debt and guarantee low interest rates and a stable situation and more capital to invest in the private sector for 15 years. We can improve our education and training systems. We can invest in our inner cities. We can expand trade. That is an economic agenda that will set a framework within which more companies who follow your lead will find the same kind of success that you have.

And remember what I said when I started. America wouldn't have nearly the problems we have today if everybody was as happy on the job as you are.

Thank you, and good luck.

NOTE: The President spoke at 11:45 a.m. in Imperial Ballroom A at the Grand Hyatt Hotel. In his remarks, he referred to foundation president Roger G. Ackerman, chairman and chief executive officer, Corning, Inc.; former Secretary of Commerce Malcolm Baldrige's sister, Letitia Baldrige; foundation chairpersons Barry K. Rogstad, president, American Business Conference, and Roberts T. Jones, president and chief executive officer, National Alliance of Business; and foundation trustee Earnest W. Deavenport, Jr., chairman and chief executive officer, Eastman Chemical Co.

### **Memorandum on Assistance to Iraqi Democratic Opposition Organizations**

*February 4, 1999*

Presidential Determination No. 99-13

*Memorandum for the Secretary of State*

*Subject:* Designations Under the Iraq Liberation Act of 1998

Pursuant to the authority vested in me as President of the United States, including under section 5 of the Iraq Liberation Act of 1998 (Public Law 105-338) (the "Act"), I hereby determine that each of the following groups is a democratic opposition organization and that each satisfies the criteria set forth in section 5(c) of the Act: the Iraqi National Accord, the Iraqi National Congress, the Islamic Movement of Iraqi Kurdistan, the Kurdistan Democratic Party, the Movement for Constitutional Monarchy, the Patriotic Union of Kurdistan, and the Supreme Council for the Islamic Revolution in Iraq. I hereby designate each of these organizations as eligible to receive assistance under section 4 of the Act.

You are authorized and directed to report this determination and designation to the Congress and arrange for its publication in the *Federal Register*.

**William J. Clinton**

NOTE: This message was released by the Office of the Press Secretary on February 5.

**Message to the Congress Reporting  
on Efforts To Achieve a Sustainable  
Peace in Bosnia and Herzegovina**  
*February 4, 1999*

*To the Congress of the United States:*

Pursuant to section 7 of Public Law 105-174, I am providing this report to inform the Congress of ongoing efforts to achieve sustainable peace in Bosnia and Herzegovina (BiH). This is the first semiannual report that evaluates progress in BiH against the ten benchmarks ("aims") outlined in my certification to the Congress of March 3, 1998. NATO adopted these benchmarks on May 28, 1998, as part of its approval of the Stabilization Force (SFOR) military operations plan (OPLAN 10407). The Steering Board of the Peace Implementation Council (PIC) subsequently adopted corresponding benchmarks in its Luxembourg Declaration of June 9, 1998.

NATO, the Office of the High Representative (OHR) and my Administration have coordinated closely in evaluating progress on Dayton implementation based on these benchmarks. There is general agreement that there has been considerable progress in the past year. The basic institutions of the state, both political and economic, have been established. Key laws regarding foreign investment, privatization, and property are now in place. Freedom of movement across the country has substantially improved. Fundamental reform of the media is underway. Elections have demonstrated a continuing trend towards growing pluralism. Nevertheless, there is still much to be done, in particular on interethnic tolerance and reconciliation, the development of effective common institutions with powers clearly delineated from those of the Entities, and an open and pluralistic political life. The growth of organized crime also represents a serious threat.

With specific reference to SFOR, the Secretaries of State and Defense, in meetings in December 1998 with their NATO counterparts, agreed that SFOR continues to play an essential role in the maintenance of peace and stability and the provision of a secure environment in BiH, thus contributing significantly to progress in rebuilding BiH as a single, democratic, and multiethnic state.

At the same time, NATO agreed that we do not intend to maintain SFOR's presence at current levels indefinitely, and in fact agreed on initial reductions, which I will describe later in this report. Below is a benchmark-by-benchmark evaluation of the state-of-play in BiH based on analysis of input from multiple sources.

1. *Military Stability.* Aim: Maintain Dayton cease-fire. Considerable progress has been made toward military stabilization in BiH. Entity Armed Forces (EAFs) are in compliance with Dayton, and there have been no incidents affecting the cease-fire. EAFs remain substantially divided along ethnic lines. Integration of the Federation Army does not reach down to corps-level units and below. However, progress has been made through the Train and Equip Program to integrate the Ministry of Defense and to provide the Federation with a credible deterrent capability. Although it is unlikely to meet its target of full integration by August 1999, the Federation Ministry of Defense has begun staff planning for integration. The Bosnian Serb Army (VRS) continues its relationship with the Federal Republic of Yugoslavia (FRY) Army. Similarly, the Bosnian Croat element of the Federation Army maintains ties with Croatia. In both cases, however, limited resources impinge on what either Croatia or the FRY can provide financially or materially; the overall trend in support is downward. In some areas, the VRS continues to have certain qualitative and quantitative advantages over the Federation Army, but the Train and Equip Program has helped narrow the gap in some key areas. The arms control regimes established under Articles II (confidence and security-building measures) and IV (arms reduction and limitations) of Annex 1-B of the Dayton Peace Accords are functioning. In October 1997, BiH and the other parties were recognized as being in compliance with the limitations on five major types of armaments (battle tanks, armored combat vehicles, artillery, combat aircraft, and attack helicopters) set forth in the Article IV agreement, which were derived from the Annex 1B 5:2:2 ratios for the FRY, Republic of Croatia, and BiH respectively. The parties have since maintained armament levels consistent with the limitations and are expected

to do so in the future. A draft mandate for an Article V agreement (regional stability) has been approved; negotiations are due to begin in early 1999. Military stability remains dependent on SFOR as a deterrent force.

## 2. *Public Security and Law Enforcement.*

**Aim:** A restructured and democratic police force in both entities. There has been considerable progress to date on police reform due to sustained joint efforts of the International Police Task Force (IPTF), Office of the High Representative (OHR), and SFOR, which have overcome a number of significant political obstacles. So far, approximately 85 percent of the police in the Federation have received IPTF-approved training, as have approximately 35 percent of the police in the Republika Srpska (RS). All sides continue to lag in the hiring of minority officers and, as the IPTF implements its plans to address this problem, tensions will increase in the short-term. SFOR often must support the IPTF in the face of crime, public disorder, and rogue police. Monoethnic police forces have often failed to facilitate minority returns. In these types of scenarios, SFOR's use of the Multinational Specialized Unit (MSU) has been a force multiplier, requiring fewer, but specially trained troops. At this point, SFOR's essential contribution to maintaining a secure environment, to include backing up IPTF in support of nascent civilian police forces, remains critical to continued progress.

3. *Judicial Reform.* **Aim:** An effective judicial reform program. Several key steps forward were taken in 1998, such as the signing of an MOU on Inter-Entity Legal Assistance on May 20, 1998, and establishment of an Inter-Entity Legal Commission on June 4, 1998. The Federation Parliament in July adopted a new criminal code. Nevertheless, the judicial system still requires significant reform. Judges are still influenced by politics, and the system is financially strapped and remains ethnically biased. Execution of judgments, in particular eviction of persons who illegally occupy dwellings, is especially problematic. The progress made in the area of commercial law is encouraging for economic development prospects.

4. *Illegal Institutions, Organized Crime, and Corruption.* **Aim:** The dissolution of illegal pre-Dayton institutions. Corruption re-

mains a major challenge to building democratic institutions of government. Structures for independent monitoring of government financial transactions are still not in place. Shadow institutions still need to be eliminated. The burden of creating institutions to combat fraud and organized crime falls mostly to the international community and in particular to the IPTF. SFOR contributes to the secure environment necessary for the success of other international efforts to counter these illegal activities.

5. *Media Reform.* **Aim:** Regulated, democratic, and independent media. Approximately 80 percent television coverage has been achieved in BiH through the international community's support for the Open Broadcasting Network (OBN), which is the first (and so far only) neutral source of news in BiH. Several television and radio networks have been restructured and are led by new management boards. Most are in compliance with Dayton except for some regional broadcasts. The Independent Media Commission assumed responsibility for media monitoring from the OSCE on October 31, 1998. Progress has been significant, but BiH still has far to go to approach international standards. SFOR's past actions in this area are a key deterrent against illegal use of media assets to undermine Dayton implementation.

6. *Elections and Democratic Governance.* **Aim:** National democratic institutions and practices. With the exception of the election of a nationalist to the RS presidency, the September 1998 national elections continued the long-term trend away from reliance on ethnically based parties. The two major Serb nationalist parties lost further ground and, once again, will be unable to lead the RS government. Croat and Bosniak nationalist parties retained control, but saw margins eroded significantly. In this regard, SFOR's continued presence will facilitate conduct of the municipal elections scheduled for late 1999 but, as has been the case with every election since Dayton, the trend of increasingly turning over responsibility for elections to the Bosnians themselves will continue.

7. *Economic Development.* **Aim:** Free-market reforms. While the process of economic recovery and transformation will take many years, some essential groundwork has

been laid. Privatization legislation and enterprise laws have been passed, and banking legislation has been partially passed. Fiscal revenues from taxes and customs have increased significantly. Nevertheless, the fiscal and revenue system is in its infancy. Implementation of privatization legislation is slow and the banking sector is under-funded, but there are signs of development in GDP. There has been a marked increase in freedom of movement, further enhanced by the uniform license plate law. SFOR's continued contribution to a secure environment and facilitating freedom of movement is vital as economic reforms begin to take hold.

8. *Displaced Person and Refugee (DPRE) Returns*. Aim: A functioning phased and orderly minority return process. While there have been some significant breakthroughs on DPRE returns to minority areas, such as Jajce, Stolac, Kotor Varos, Prijedor, Mostar, and Travnik, the overall numbers have been low. In some areas where minority DPRES have returned, interethnic tensions rose quickly. Some nationalist political parties continue to obstruct the return of minority DPRES to the areas they control. Poor living conditions in some areas present little incentive for DPRES to return. The Entities are using DPRES to resettle regions (opstinas) that are of strategic interest to each ethnic faction. SFOR's contribution to a secure environment remains vital to OHR efforts to facilitate minority returns.

9. *Brcko*. Aim: A multiethnic administration, DPRE returns, and secure environment. Freedom of movement in Brcko has improved dramatically. Citizens of BiH are increasingly confident in using their right to travel freely throughout the municipality and the region. Police and judicial elements have been installed, but the goal of multiethnicity in these elements still has not been realized. About 1,000 Federation families have returned to the parts of Brcko on the RS side of the Inter-Entity Boundary Line, but few Serb displaced persons have left Brcko to return to their pre-war homes. SFOR support will be a critical deterrent to the outbreak of violence during the period surrounding the Arbitrator's decision on Brcko's status anticipated for early in 1999.

10. *Persons Indicted for War Crimes (PIFWCs)*. Aim: Cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY) leading to the transfer of PIFWCs to The Hague for trial. Thanks to action by the Congress, the Secretary of State now has the ability to offer rewards of up to \$5 million for information leading to the arrest or conviction of PIFWCs. Of the 81 people indicted publicly by the Tribunal, only 29—36 percent—are still at large. The two highest-profile indictees, Karadzic and Mladic, are among them. Bosniaks are cooperating with the ICTY, but the failure of the RS to support the ICTY is a major obstacle to progress. Bosnian Croats have cooperated with respect to the surrender of all but two public indictees, but have not cooperated fully with respect to the Tribunal's orders that they turn over documents needed for the fair trial of a number of indictees. SFOR continues to provide crucial support in the apprehension of PIFWCs and for ICTY exhumations.

In my report to the Congress dated July 28, 1998, I emphasized the important role that realistic target dates, combined with concerted use of incentives, leverage, and pressure on all parties, should play in maintaining the sense of urgency necessary to move steadily toward an enduring peace.

The December 1998 Peace Implementation Council Declaration and its annex (attached) offer target dates for accomplishment of specific tasks by authorities in BiH. The PIC decisions formed the background against which NATO Defense Ministers reviewed the future of SFOR in their December 17 meeting. Failure by Bosnian authorities to act within the prescribed timeframes would be the point of departure for more forceful action by the OHR and other elements of the international community. Priorities for 1999 will include: accelerating the transition to a sustainable market economy; increasing the momentum on the return of refugees and displaced persons, particularly to minority areas; providing a secure environment through the rule of law, including significant progress on judicial reform and further establishment of multiethnic police; developing and reinforcing the central institutions, including adoption of a permanent



election law, and the development of greater confidence and cooperation among the Entity defense establishments with the goal of their eventual unification; and pressing ahead with media reform and education issues.

In accordance with the NATO Defense Ministers' guidance in June 1998, NATO is conducting a series of comprehensive reviews at no more than 6-month intervals. The first of these reviews was completed on November 16, 1998, and recently endorsed by the North Atlantic Council (NAC) Foreign and Defense Ministers. In reviewing the size and shape of SFOR against the benchmarks described above, the United States and its Allies concluded that at present, there be no changes in SFOR's mission. NATO recommended, however, that steps begin immediately to streamline SFOR. The NAC Foreign and Defense Ministers endorsed this recommendation on December 8, 1998, and December 17, 1998, respectively. The Defense Ministers also endorsed a report from the NATO Military Authorities (NMAs) authorizing further adjustments in SFOR force levels—in response to the evolving security situation and support requirements—to be completed by the end of March 1999. While the specifics of these adjustments are still being worked, they could amount to reductions of as much as 10 percent from the 6,900 U.S. troops currently in SFOR. The 6,900 troop level already represents a 20 percent reduction from the 8,500 U.S. troops deployed in June 1998 and is 66 percent less than peak U.S. deployment of 20,000 troops in 1996.

The NATO Defense Ministers on December 17, 1998, further instructed NMAs to examine options for possible longer-term and more substantial adjustments to the future size and structure of SFOR. Their report is due in early 1999 and will give the United States and its Allies the necessary information on which to base decisions on SFOR's future. We will address this issue in the NAC again at that time. Decisions on future reductions will be taken in the light of progress on implementation of the Peace Agreement. Any and all reductions of U.S. forces in the short or long term will be made in accordance with my Administration's policy that

such reductions will not jeopardize the safety of U.S. armed forces serving in BiH.

My Administration values the Congress' substantial support for Dayton implementation. I look forward to continuing to work with the Congress in pursuit of U.S. foreign policy goals in Bosnia and Herzegovina.

**William J. Clinton**

The White House,  
February 4, 1999.

NOTE: this message was released by the Office of the Press Secretary on February 5.

### **Remarks on Presenting the Presidential Awards for Excellence in Microenterprise Development**

*February 5, 1999*

**The President.** Thank you. Carol, you'd better watch it. Before you know it you'll be running for office. [*Laughter*] What a remarkable statement; thank you so much.

I'd like to take a little—a few moments more than I normally would by way of introduction today. Hillary and I and Bob Rubin are real happy today, because this is one of the things that I ran for President to do, to see these stories, to see the spirit, and to see the potential.

I want to thank Secretary Rubin. You know, I used to tell a joke about Bob Rubin. He's been here a long time now, and he left this fabulous career on Wall Street. And I used to tell everybody that I asked Bob Rubin to come to Washington in 1993 to help me save the middle class, and by the time he leaves he'll be one of them. [*Laughter*]

**Secretary Rubin.** That always seems a lot funnier to you, Mr. President. [*Laughter*]

**The President.** Yes. I don't know how much it's cost him to stay here these 6 years, but one of the reasons that I really wanted him to come is that when we—even in the beginning, when we began talking about these matters in '92, he always said, "You know, I'd like to get the economy going again and working again, and then we could maybe really do something for poor people in this country. Maybe we could really bring the spirit of enterprise to all these places that have been left behind."

I don't know how many Secretaries of the Treasury in our country's history have ever had that sort of driving passion. But I know we had one, and he's done a magnificent job. And I'm very grateful to him.

I want to thank Senator Harkin, Senator Kennedy, Senator Wellstone, Congressman Oberstar, Congresswoman Eleanor Holmes Norton for supporting this economic vision so strongly. I thank former Senator Riegle, who is here, who was the committee chairman who helped us to make this a critical part, this whole microenterprise, a critical part of our economic strategy way back in 1993.

I welcome Lieutenant Governor Sally Petersen from Iowa; we're delighted to have her here with her honorees. I want to thank our former OMB Director Frank Raines; Mary Ellen Withrow, our Treasurer; Ellen Lazar and others who have supported our efforts here. A special word of thanks to Aida Alvarez and Betsy Myers and all the other members of her team from SBA who are here. And to Brian Atwood and Hattie Babbitt and the others from AID. I believe that under our administration we funded 2 million of these small microenterprise loans, from Africa to Asia to Latin America, last year.

There's one group of people who have not been acknowledged—and Hillary and I were talking about it—who were out there ahead of the Federal Government for years, without whom microenterprise never would have really taken off in America, and that's all the members of the foundation community. I'd like to—all the representatives of the foundations that are here that have supported microenterprise lending, I'd like to ask you to stand, please, and be acknowledged. Thank you. *[Applause]* Thank you very much.

And I'll say more about this in a minute, but this whole issue has been a passion for the First Lady for, as she said, about 15 years. We had a friend who was working at the South Shore Bank in Chicago which had a microenterprise loan program. We went there, we saw what they were doing.

Then in 1984 I was able to meet, here in Washington—I was here at a Governor's meeting, I'll never forget it. I got up early one morning and had breakfast with Muham-

mad Yunus, who had been trained as an economist in the United States and then gone to Bangladesh and set up the Grameen Bank. Hundreds of thousands of loans had been made—market interest rates—very tiny loans, almost all to poor village women. The repayment rate was better than the commercial banks in Bangladesh, and it changed my thinking about this forever.

And then Hillary scrounged up some foundation money and other money, and I squeezed some out of the Arkansas legislature and we started a development bank with a microenterprise program in Arkansas. And after I became President, she literally has gone all across the world. She's been in small villages on every continent, where people like her never go.

And I should tell the rest of the story because I don't think President Museveni would object. I have the highest regard for the President of Uganda. He's one of the most intelligent and effective leaders of any developing country anywhere in the world. But when we were walking on this little rocky pathway into this village to see all these village women who now had their own businesses, he looked at me, and he said, "That's some wife you've got." He said, "Until you showed up here, I didn't even know we had these programs in our country." *[Laughter]*

So, without her we probably wouldn't be here today. And I'm very, very grateful for everything that Hillary has done to champion this cause.

I also want to say a word of appreciation to Carol and all the other small-business owners here. It takes a lot of courage to run a small business. Hillary and I have talked about this a lot. She talked to me about one time when she was a high school girl she worked in a small business in her home town, and there were days when no one came in. Every day, if you open a small business, you feel like politicians feel on election day. *[Laughter]*

I'll never forget—I can't remember, one of the great old Hollywood moguls said, "You know, if you make a bad movie, the people will stay away, and you cannot stop them"—*[laughter]*—which I think is great. So I want to thank all of you for having the spirit of enterprise and the vision and the courage.

This whole country is basically built by entrepreneurs, whether they're in Silicon Valley or young investment bankers in Manhattan or people running the street-vending operations out here for the tourists in Washington. The genius of actually being able to have an idea and act on it, and having people respond to it and invest in it and be your customers and, as Carol said, in a way validate your ideas, your character, and your hard work, it's the whole secret of America.

And because of the strength of our economy, I believe we have an obligation to give that opportunity to everyone. Just this morning we learned that what is now the longest peacetime expansion in American history has grown longer. Last month our economy created nearly another quarter-million jobs, and unemployment stayed at 4.3 percent. That's the lowest peacetime rate since 1957. Wages now rising at over twice the rate of inflation. Again, unemployment rates among Hispanic- and African-Americans dropped to their lowest recorded levels ever.

Now, if we cannot expand opportunity into every corner of America now, we will never get around to it. We have an obligation now to spread the spirit and the opportunity for enterprise to all the American people. As you've heard from others, we've been working on this for 6 years now, working to bring opportunities to some of our most distressed communities, with an agenda of empowerment. That's what we celebrate here. Not a hand out, a hand up. This microenterprise program is the embodiment of empowerment.

We know—and I was so glad to hear what Carol said about self-esteem, because sometimes a crisis of economic distress is a crisis of the spirit as well, a shortage of confidence that is just as debilitating as a shortage of cash. And these stories today—I want all of you to imagine not only the economic success but what it has done to these people's lives. There are stories like this all over America and all over the world.

What does it mean to a single mom's life when she goes to the mailbox in the morning and sees a bank statement instead of a welfare check? What does it mean to a child when he or she can go to school and say, when they ask, "What does your mother do

for a living?" "She owns a beauty shop?" What does it mean to a neighborhood when, all of a sudden, an old building that has been vacant for 10 years has a "help wanted" sign out in front of it?

This is about more than economics. And through our network of community development banks—or CDFI's, as we call them, community development financial institutions—through the strengthened and streamlined Community Reinvestment Act—and I will say that even though that act has been on the books for more than 20 years now, 95 percent of all the investment under community reinvestment has been done in the last 6 years, in our administration. And I'm proud of that. And the banks are doing quite well. *[Laughter]* They're doing well by doing good. And it's important to remember as the debate develops this year about that. And through these empowerment zones, we've seen the steady expansion of opportunity.

Last month, as the Secretary said, I announced this new markets initiative, to spur even more private investment in underserved areas. And we want to reach—building a bridge from Wall Street to Harlem to Appalachia, to the Mississippi Delta, to South Texas, to Pine Ridge, South Dakota—everywhere there are opportunities still untapped.

Today I am proud to announce that, as a part of our budget, we would more than double our support for microenterprise in America. We would continue our—*[applause]*—thank you. We also want to continue our efforts to promote microenterprise abroad, especially in the nations that have been hardest hit by the global financial crisis or by our neighbors hit by natural disasters. And I think that is very important, because we are giving courage and awareness to other governments and other countries to do more for their own people in this regard.

First, we recognize that, for the vast majority of microentrepreneurs, good ideas and credit are just the beginning. A little guidance, lessons on accounting, billing, planning, those things are essential for any business to thrive in a complex economy. The budget doubles the Small Business Administration's capacity to provide such training

through its microloan program, triples support for SBA's one-stop capital shops, which offer microlending advice and other assistance in disadvantaged communities. I'm also proud to support the bipartisan program for investments in microentrepreneurs, the PRIME Act, sponsored by Senator Kennedy and Senator Domenici from New Mexico, and Representatives Rush, Leach, and LaFalce, so that we can expand our technical assistance through the Treasury's CDFI fund.

Second, we want to make even more credit available to low-income Americans with good business ideas. That's why I'm proposing to leverage more than \$75 million in new loans by doubling our support for the SBA's microloan program.

Third, we want to keep encouraging Americans to save some of their own hard-earned money, to start or expand businesses. Last year, I was proud to sign new individual development accounts into law, fulfilling a campaign pledge from 1992, and thanks in no small measure to the leadership of Senator Tom Harkin from Iowa and former Senator Dan Coats from Indiana. We thank you very much, Senators, for that. *[Applause]* Thank you.

For those of you who don't know, these individual development accounts, IDA's, are special accounts that provide Federal matching funds to low-income Americans who save money to invest in their business, buy a first home, pay for a college education. I want to double support for these accounts in our budget.

Next, we will continue to lead the world through USAID to promote microenterprise for millions of families to get out of poverty in other countries. The recent local financial crisis and the hurricanes in Central America and the Caribbean have literally upended the lives of tens of thousands, hundreds of thousands of people. As you have heard from the First Lady's account, we have seen, first hand, how these loans, sometimes in other countries loans as small as \$10, \$15, \$25, \$50 can make all the difference in helping families to get back on their feet.

Our balanced budget will target extra microenterprise assistance to the countries that are in trouble. And to break down the

bureaucratic walls that block microenterprise in some developing countries, we'll continue to work with the World Bank and other financial institutions to reform the regulatory structures so we can make more of these loans available. There is a virtually unlimited potential abroad and at home for this, and I keep hoping if we just keep pushing and keep pushing and keep pushing we will reach a critical mass of investment which will explode it and let the whole world know that this works.

And this ceremony today is a part of letting the whole world know. So we come here not only to honor you with these Presidential Awards for Excellence in Microenterprise but to say to the world that these six organizations whose vision and commitment have made such a profound difference in the lives of the businessowners, their employees, and their customers are but a small beginning of what we could achieve together in the United States and throughout the world if we work harder to make the economy work for ordinary citizens.

And so this, too, is a part of letting the whole world know. And when you come up here and get your awards I hope that you will not only feel enormous pride; I hope that you will not only feel an enormous sense of rededication to further success; I hope you will feel that you are sending a message to people who will see this all over America or read about it in their newspapers. And you may be sparking someone else's conviction either that, A, they ought to set up one of these funds, or B, they ought to find one and get a loan.

And I believe that we will continue to see the steady march of progress here. This has the potential to revolutionize not only the lives of ordinary Americans but the whole way we organize our economy here and around the world.

So, first: For excellence in the category of access to capital, the Microcredit Industry Rural Organization. Since 1987, MICRO has provided some \$5.5 million in loans to more than 1,000 entrepreneurs living in rural Arizona's poorest Hispanic communities. Accepting this award is Executive Director Frank Ballesteros and entrepreneur Maria Jesus Gaxiola, a former migrant farm worker

who used a \$1,500 loan to build her own cosmetics business, and I might say, she's a remarkable walking advertisement for her success. [Laughter] Please come up here.

[The President presented the award.]

Next, for excellence in developing entrepreneurial skills, the Detroit Entrepreneurship Institute. Founded at Wayne State University, the institute has worked to teach low-income clients the full range of business skills. Clients can also take advantage of a free computer center, a tax preparation service, and graphic design department to help launch and expand their businesses. Accepting this award is Cathy McClelland, the president and CEO; and Jackie Tucker, who started a successful catering business after training at the institute. I'd like to ask them to come up now.

[The President presented the award.]

Also for excellence in developing entrepreneurial skills, the Northeast Entrepreneur Fund of Virginia, Minnesota—[laughter]—in the Iron Range, north of Duluth. Serving rural communities throughout a 20,000 square mile area, the fund offers one-on-one counseling to clients, helping them to tailor their studies to specific needs. Accepting this award is the fund's president, Mary Matthews; and our star speaker today—[laughter]—Carol Willoughby.

[The President presented the award.]

For excellence in poverty alleviation, the Institute for Social and Economic Development of Iowa. One of the earliest statewide microenterprise efforts in the Nation, the Institute—listen to this—has helped 90 percent of its welfare clients free themselves from lives of dependency through self-employment. Accepting this award today is John Else, founder and president; and entrepreneur Rhonda Auten, a former welfare recipient who started her own dance school with help from ISED.

[The President presented the award.]

For excellence in private support for microenterprise development, the Corporation for Enterprise Development. For two decades, through research, public advocacy and technical assistance to microenterprise

organizations, the corporation has fostered so much of the progress we see today, including the success of three of this year's award winners. We are all—including all of us in this administration—profoundly indebted to the awardee, the corporation, and its founder and chairman, Mr. Robert Friedman.

[The President presented the award.]

For excellence in public support for microenterprise development, the Montana Micro-business Finance Program. As part of the Montana Department of Commerce, this program has helped to launch or sustain a dozen microlending organizations serving communities throughout that vast and beautiful State. Accepting this award are program officer Robyn Hampton and entrepreneurs Kevin and Heidi Snyder, who used a microloan to start their racquetball and fitness centers. They are two walking advertisements for what they're doing, as you can see. [Laughter] Come on up.

[The President and the First Lady presented the award.]

Now, don't you feel better than you did when you got up this morning? [Laughter] Isn't this great?

Henry Ford—a small entrepreneur—once said that the best Americans were those with “an infinite capacity to not know what can't be done.” We honor those kinds of Americans, testaments to the power of enterprise and the strength of the human spirit.

I ask you to leave here committed to work in the years ahead to bring this spirit, and this opportunity, to every corner of every community in our land and on our globe.

Thank you very much, and God bless you.

NOTE: The President spoke at 2:37 p.m. in the East Room at the White House. In his remarks, he referred to Muhammad Yunus, founder and chief executive, Grameen Bank in Bangladesh; President Yoweri Kaguta Museveni of Uganda; Frank Ballesteros, executive director, Micro Industry Credit Rural Organization (MICRO); and Jacqueline Tucker, owner, Eternal Pleasures Catering Service. The transcript made available by the Office of the Press Secretary also included the remarks of the First Lady.

**Message to the Congress  
Transmitting the District of  
Columbia Courts' Fiscal Year 2000  
Budget Request**

*February 5, 1999*

*To the Congress of the United States:*

In accordance with the District of Columbia Code, as amended, I am transmitting the District of Columbia Courts' FY 2000 Budget request.

The District of Columbia Courts have submitted a FY 2000 Budget request for \$131.6 million for its operating expenditures and \$17.4 million for courthouse renovation and improvements. My FY 2000 Budget includes recommended funding levels of \$128.4 million for operations and \$9.0 million for capital improvements for the District Courts. My transmittal of the District of Columbia Courts' budget request does not represent an endorsement of its contents.

I look forward to working with the Congress throughout the FY 2000 appropriation process.

**William J. Clinton**

The White House,  
February 5, 1999.

---

**Digest of Other  
White House Announcements**

---

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

---

**January 30**

The President and Hillary Clinton went to Camp David, MD, for the weekend.

The White House announced that the President and Hillary Clinton will travel to Mexico for a meeting with President Ernesto Zedillo on February 15 and to Central America on March 8–11, visiting Nicaragua, Honduras, El Salvador, and Guatemala.

**February 1**

In the morning, the President and Hillary Clinton returned to Washington, DC.

The President announced his intention to appoint E. Linn Draper, Jr., as a member of the President's Council on Sustainable Development.

**February 2**

In the morning, the President traveled to Boston, MA. In the evening, he traveled to New York City and later returned to Washington, DC.

The President announced his intention to nominate Anne Udall to be a Public Trustee at the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation.

The White House announced that the President will meet with President Jamil Mahuad of Ecuador and President Alberto Fujimori of Peru at the White House on February 5.

The White House announced that the President will travel to Atlanta, GA, on February 5 and to Wintergreen, VA, on February 9.

**February 3**

The President announced his intention to nominate Joseph E. Brennan to be a Commissioner of the Federal Maritime Commission.

The President announced his intention to nominate Joseph Bordogna to be Deputy Director of the National Science Foundation.

**February 4**

In the morning, the President met separately with Prime Minister Pandeli Majdo of Albania, Prime Minister Ljubco Georgievski of Macedonia, and Chairman Yasser Arafat of the Palestinian Authority in the Cabinet Room at the Washington Hilton Hotel. The President also had brief discussions with Leah Rabin, widow of the late Israeli Prime Minister, and with Steven Flatow, whose daughter was the victim of a 1995 terrorist attack in Gaza.

The White House announced that the President will launch the AmeriCorps Call to Service campaign at the University of Maryland in College Park on February 10.

### **February 5**

The President met with President Jamil Mahuad of Ecuador and President Alberto Fujimori of Peru in the Oval Office.

The President announced the nomination of Thomas J. Erickson to be a member of the Commodity Futures Trading Commission.

The President announced his intention to appoint Betsy Levitt Cohn, Cynthia Friedman, Alice Kandell, Hilary Rosen, and Howard A. Tullman as members of the President's Committee on the Arts and the Humanities.

The President announced the appointment of Mary Beth Cahill as Assistant to the President and Director of the Office of Public Liaison and Robert B. (Ben) Johnson as Assistant to the President and Director of the White House Office on the President's Initiative for One America, a new office the President is creating to follow up on the work of his Initiative on Race.

The White House announced that the President will meet with Chancellor Gerhard Schroeder of Germany on February 11.

---

### **Nominations Submitted to the Senate**

---

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

---

### **Submitted February 4**

Thomas J. Erickson, of the District of Columbia, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 2003, vice John E. Tull, Jr., term expired.

---

### **Checklist of White House Press Releases**

---

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

---

### **Released January 30**

Statement by the Press Secretary announcing the President and the First Lady's upcoming visits to Mexico and to Central America

### **Released February 1**

Transcript of a press briefing by Treasury Secretary Robert Rubin, Director of the Office of Management and Budget Jack Lew, and National Economic Council Director Gene Sperling on the President's proposed budget

### **Released February 2**

Transcript of a press briefing by Press Secretary Joe Lockhart

Transcript of a press briefing by Assistant to the President for Domestic Policy Planning Bruce Reed on the President's visit to Boston, MA

Statement by the Press Secretary: Meeting With President Mahuad of Ecuador and President Fujimori of Peru

Statement by the Press Secretary on the appointment of Miles E. Lackey as Special Assistant to the President and Senior Director for Legislative Affairs

### **Released February 3**

Transcript of a press briefing by Press Secretary Joe Lockhart

### **Released February 4**

Transcript of a press briefing by Press Secretary Joe Lockhart

Transcript of a press briefing by Council of Economic Advisers Chair Janet Yellen on the Economic Report of the President

Statement by the Press Secretary on the Senate vote rejecting the request for live witnesses in the Senate impeachment trial

***Released February 5***

Transcript of a press briefing by Press Secretary Joe Lockhart

Statement by the Press Secretary on the President's meeting with President Mahuad of Ecuador and President Fujimori of Peru

---

**Acts Approved  
by the President**

---

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.